

REIMAGINING THE FUTURE OF PATIENT CARE

2022 ANNUAL REPORT



about the **COVER**

REIMAGINING THE FUTURE OF PATIENT CARE

In this dynamic and transformative age, we find ourselves transitioning into the new era of healthcare, envisioning what lies ahead after the COVID-19 pandemic has ended.

The Reimagining the Future of Patient Care cover represents the resilience and adaptability of Makati Medical Center as we navigate through unprecedented challenges brought about by the recent extended global health emergency. It reflects the unwavering commitment of our healthcare professionals who have devoted themselves to improving the lives of others, all while recognizing their evolving needs in a changing world.

As we move forward, we embrace the valuable lessons learned during the COVID-19 crisis. The experiences we gained have prompted us to adopt advancements in the field of medicine, refine our protocols, cultivate a culture of continuous learning, but remain relentless in our brand of compassionate care.

MakatiMed is dedicated to leveraging this moment to shape a future where healthcare is more robust, responsive, adaptive, and patient-centered even in the most trying times.



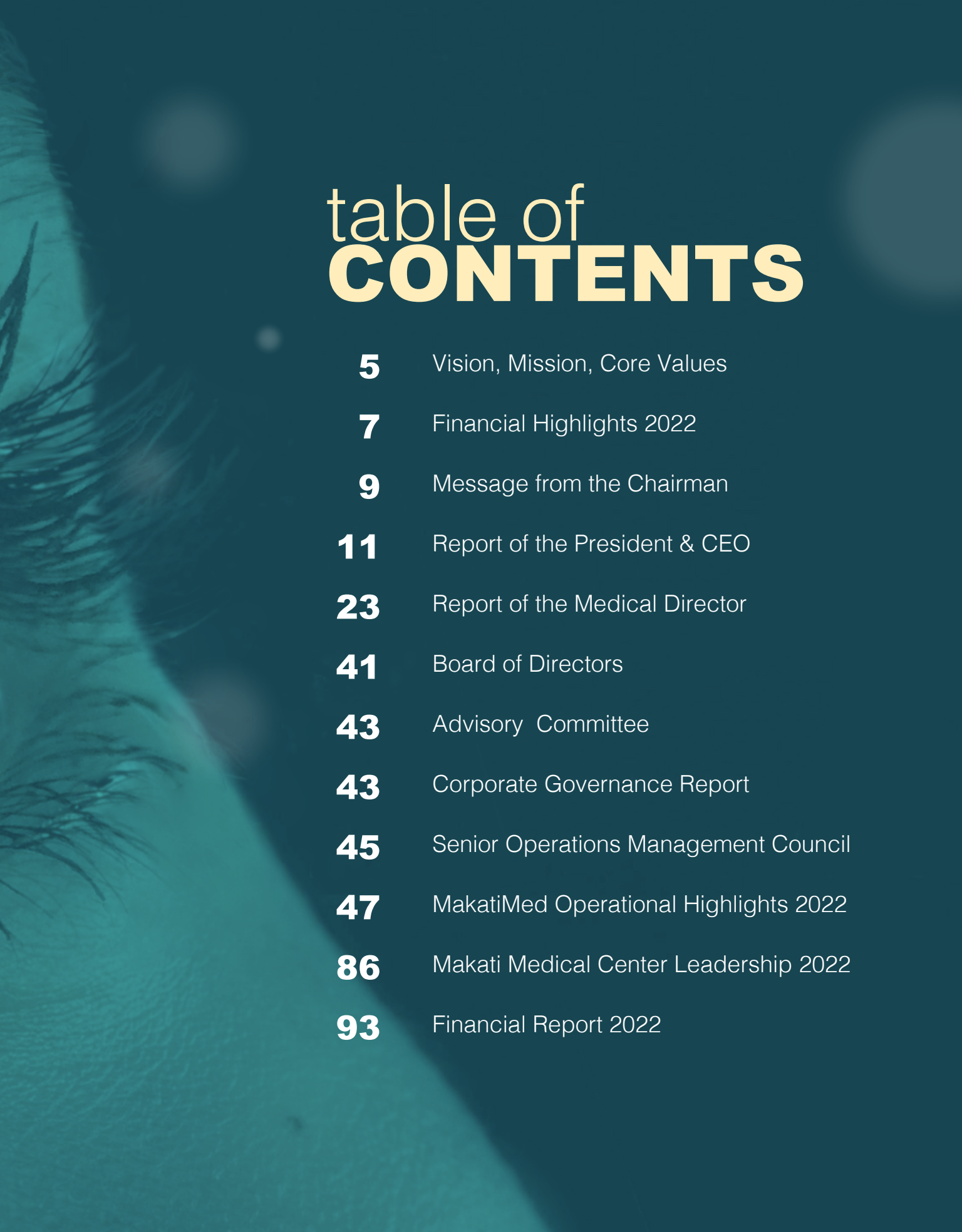


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VISION

We are the nation's most trusted, caring, and internationally-recognized healthcare institution – with top-notch service, expertise, and technology.

MISSION

To provide the highest quality healthcare experience for all stakeholders through –

- Competent, compassionate, collegial, and ethical medical professionals and allied hospital personnel
- Superior service delivery, enhanced by technological and digital innovations and supported by research
- Sustained training/educational programs and other capacity-building initiatives; ethics-based and responsive to evolving health challenges and global standards
- Community responsive, collaborative, and socially empowering healthcare programs

CORE VALUES

Service Excellence – providing competent, appropriate, safe, and responsive healthcare services that result to: positive patient outcome, highest level of satisfaction of patients and colleagues

Behavioral Statements:

- Delivers healthcare services on time
- Defines objectives, identifies measures and implements strategies to deliver exceptional results
- Follows-through and fulfills commitments made
- Meets or exceeds the stakeholders' needs and expectations consistent with MMC policies
- Constantly seeks innovative ways to improve the quality of service

Integrity – demonstrating sound moral and ethical principles at work; never compromising the name and ethical standards of the hospital

Behavioral Statements:

- Continues to do the right thing even when no one is looking or watching
- Communicates openly, honestly and truthfully with others
- Takes accountability for own actions and decisions at all times

Professionalism – upholding the code of conduct of the hospital and ethical standards of one's profession; consistently demonstrating competence in the performance of one's duties

Behavioral Statements:

- Respects diversity (gender, ethnicity, religion, cultural, and economic status)
- Inspires trust by delivering results at the highest levels of professionalism
- Learns rapidly and adapts quickly to changing situations
- Willingly accepts additional responsibilities in the face of challenging situations
- Strictly adheres to and complies with established policies, procedures, and standards

Compassion – showing genuine concern and empathy through words and actions that lead to enhanced well-being of patients and colleagues

Behavioral Statements:

- Always asks the patient about his/her condition and responds accordingly with kindness and encouragement
- Acknowledges the patient's emotional state in the process of treatment
- Goes the extra mile for the good of others and organization

Teamwork – collaborating harmoniously and respectfully with the team towards a common goal

Behavioral Statements:

- Encourages and values the ideas, expertise, and contributions, including constructive criticism of all team members
- Shares knowledge and expertise with team members
- Holds team accountable for upholding MMC values
- Provides the needed support and resources to achieve goals and objectives
- Builds and maintains synergy with co-workers across the organization

QUALITY POLICY

We at Makati Medical Center put our hearts in everything that we do – live our values by doing what is right for the health and safety of our patients, well-being of our colleagues, and continuously improve with the best practices for the greater good of MakatiMed.

Quality Objectives

To provide excellent, quality, specialized medical care to MakatiMed patients as evidenced:

- In clinical and managerial indicators achieving target
- Continuous improvement to achieve and exceed target
- Positive patient experience
- Uninterrupted service amidst disaster through effective business continuity plan

To ensure safety and continuous development of our employees, trainees and medical staff through:

- Sustained education and training of healthcare professionals
- Timely analysis of possible gaps in employee safety practices as reflected in the culture of safety survey
- Effective occupational safety and health program

To comply with the requirements of accreditation and regulatory bodies (local and international)

GROSS REVENUES



(In Million Peso)

NET PROFITS (LOSS)



(In Million Peso)

**2019 profits is net of cash dividends from Cii of P10.8 million.

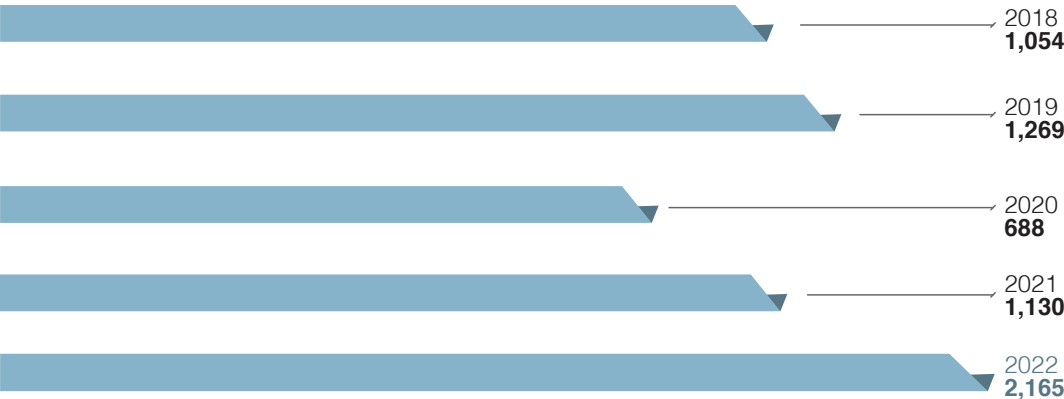
CAPITAL EXPENDITURES



TOTAL 2,323

(In Million Peso)

OPERATING CASH FLOWS



(In Million Peso)

MANUEL V. PANGILINAN
Chairman



Dear Shareholders,

In the wake of a generation-defining pandemic, our goals as a medical institution have become increasingly clear: We must reimagine the way we provide care to our patients—recognizing the changing landscape of healthcare and positioning ourselves to lead the way in providing world-class care to our patients for years to come.

At Makati Medical Center (MMC), we provide the highest quality of care to our patients. For decades, our commitment to maintaining this standard of care has been the driving force behind our success. But the healthcare industry is changing rapidly. New technologies, shifting demographics, changing healthcare access methods, and evolving patient expectations all make it critical to innovate.

One of our key challenges is providing personalized care to our diverse patients. As our understanding of the intricacies surrounding health and well-being continues to expand, it has become evident that every patient demands a distinct and unique approach to their care. We must work to develop strategies that will allow us to offer tailored treatment plans that reflect our patients' unique needs and circumstances.

Another critical area is the use of technology in healthcare. Technologies such as telemedicine, home care, and remote monitoring have already enabled us to provide care to patients who would otherwise be unable to access it. However, we know that technology is poised to play an even more important role in healthcare. We must embrace new technologies and incorporate them into our workflows to improve patient outcomes and deliver care more accessibly, more efficiently.

Finally, we acknowledge the importance of collaboration in healthcare. No single healthcare provider can meet all the needs of a patient, and as such, we must work together to provide the best possible care. This means collaborating with other healthcare providers—and working with patients and their families to ensure that they are informed and engaged in their care. By doing this, we can create a healthcare ecosystem that is capable of delivering the best possible outcomes for all patients.

We will continue to leverage the extensive network and resources of Metro Pacific Health (MPH) to enhance our capabilities and deliver comprehensive healthcare services. Our network opens avenues for strategic partnerships and collaborations. Through these partnerships, MMC can access shared resources, explore joint initiatives, and implement cutting-edge technologies that drive advancements in patient care and medical practices.

I would also like to take a moment to express my heartfelt gratitude to all our employees, doctors, and healthcare providers. Over the past years, you have shown extraordinary resilience, courage, and heroism in the face of unprecedented challenges. Your dedication to our patients and your commitment to providing the highest quality of care inspires us.

The road ahead is long. We must be agile, adaptive, and willing to embrace change. But I know that, together, we can meet these challenges and create a healthcare system that is better, stronger, and more resilient than ever before. Thank you for your ongoing dedication to our patients, and I look forward to working with you all as we continue to reimagine the future of patient care.

Yours cordially,

Manuel V. Pangilinan
Chairman



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ATTY. PILAR NENUCA P. ALMIRA
President & CEO

Dear Stakeholders,

As we reflect on the past year, we have witnessed how the world has been transformed by unprecedented challenges brought by the global health crisis. Amidst all the uncertainties and difficulties, our unwavering commitment to providing exceptional patient care has only grown stronger.

The theme of this year's annual report, "Reimagining the Future of Patient Care," is a testament to our resolve to adapt and innovate as we navigate through these uncertain times. We recognize the importance of being proactive and forward-thinking in responding to the needs of our patients and the community.

At Makati Medical Center, we have always been at the forefront of delivering compassionate, personalized, and holistic healthcare services. Our dedication to excellence in clinical practice and patient experience remains our top priority. We believe that this commitment to patient-centered care is more critical now than ever before. We recognize the need for transformation and dynamic innovation in the way we deliver care.

While we acknowledge that there is still much work to be done, I am immensely proud of the progress we have made so far, and I am confident that our hospital will continue to be at the forefront of reimagining the future of patient care, and healthcare in general.

I am delighted to share with you the 2022 Annual Report of Makati Medical Center (MMC), which showcases our achievements

in the past year and our contribution to enhancing healthcare accessibility for more Filipinos while revolutionizing the future of patient care.

FINANCIAL RESULTS

MakatiMed experienced a successful year in 2022, surpassing pre-pandemic revenue performance and reaching PhP 8.4 billion in revenues, a 10% increase from the previous year. The hospital was able to increase its functional bed capacity by 22%, allowing it to cater to the 32% increase in inpatient admissions compared to the previous year, particularly in both the Departments of Medicine and Surgery. Patients' confidence in returning to the hospital was reflected in the 20% increase in outpatient census and the almost doubled patient visits to the Emergency Department.

MakatiMed's strong revenue performance allowed it to reach an EBITDA of PhP 2 billion, a 25% increase from 2021. The hospital's cost-saving measures, such as rationalizing outsourced services and efficient use of medical supplies, contributed to the improved profitability.

With the strong EBITDA performance, MakatiMed prioritized upgrading its medical equipment with a PhP 177 million investment, followed by IT, office equipment, and renovation projects. The hospital settled its outstanding bank loans of PhP 155 million and declared cash dividends of PhP 236 million. Efforts to collect from PhilHealth, HMOs, and corporate accounts resulted in a reduction of outstanding receivables by 37%, and cash generated from outstanding performance and good collection efforts resulted in an increase in cash balance to PhP 1.8 billion by the end of 2022.

We are grateful for the solid partnerships we have nurtured and retained over the years through the



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Creative, Communications and Sales Services (CCSS) Division. Contributions from our Health Maintenance Organization (HMO), Corporate, and Strategic Hospital Alliance Program (SHAP) partners collectively grew by 29% versus 2021, reaching nearly PhP 4B in revenues. All three (3) business segments had double-digit revenue growth performances at 27%, 36%, and 34% respectively. The HMO segment, being the biggest contributor, brought in 81% of this share in Creative, Communications and Sales Services targets, or about 38% of total MMC revenues. Patient census-wise, these segments contributed 43% of 2022's inpatient census, 47% of outpatient census, and 66% of the Emergency Department census.

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Procurement Department contributed total Negotiated Savings for 2022 to PhP 199.9Mn. This included PhP 157.7Mn (7.39%) saved from total purchase value of PhP 2,135 billion compared to PhP 2,075 billion in 2021. An additional PhP 42Mn in savings came from contracts such as Preventive Maintenance Contracts, Third-Party Service Provider Contracts, Tie-up, and Warehousing Agreement.

SERVICE OPERATIONS

Enhancing the patient experience and employee engagement are critical components for transforming the future of patient care. They form the foundation for building a strong culture of care that prioritizes patients' needs, improves healthcare service quality, and fosters a positive work environment for employees.

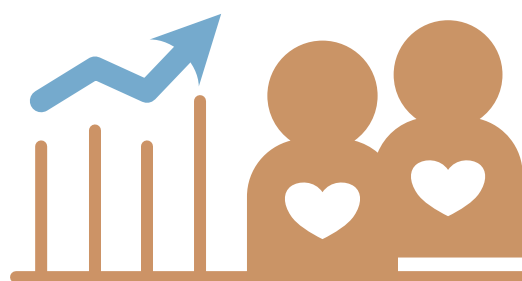
Pathology and Laboratories recognizes the importance of improving patient experience with employee engagement to reimagine the future of patient care. By implementing lean management strategies, the Point of Care Testing (POCT) and Inpatient Phlebotomy units were merged to cater to patients with different testing and procedure requirements. This move was part of The Closer The Better Project, which aims to reduce the turnaround time of tests done at the POCT Section and provide testing services at various nursing floors. Furthermore, Pathology and Laboratories partnered with the Center for Regenerative Medicine and Cordlife Philippines to offer Non-Invasive Prenatal Testing (NIPT), which is a highly accurate prenatal screening analyzing fetal DNA in maternal blood for potential fetal chromosomal abnormalities.

In December 2022, the POCT launched The Closer The Better project, which aims to provide rapid results Na, K, RBS, and Troponin I determination, with the potential for improved patient care. The overall turnaround time (TAT) improvement of 137%

compared to the STAT baseline data and expansion of the menu for the POCT in other inpatient units will further boost the effectiveness of this project. Furthermore, the Pulmonary Laboratory implemented an automated dashboard to enhance process efficiency and facilitate monitoring of Pulmonary Laboratory Medical Equipment status, rentals usage, and accurate costing. The automated reporting of the Pulmonary Laboratory will enable faster patient billing, more accurate and faster discharging processes.

We have also launched the TESLA MRI, featuring superior image quality, increased efficiency, and optimized workflow. The cutting-edge technology promises to deliver improved diagnostic results and enhance patient care through its advanced features. Now, MakatiMed has three (3) MRI Machines to serve more patients.

The Cardiac Vascular Diagnostic Laboratory (CVDL), better known as Heart Station, made various improvements and changes throughout the year. In January, they began processing ECG results for offsite centers, which reduced costs and improved efficiency. In June, the center hired Echo Technologist Consultants (ETC) to sustain manpower needs, extended operating hours, and



Patient census achieved in 2022 is 24% more than the previous year.

Report of the President & CEO

sent technologists to attend basic echocardiography training. In September, the CVDL acquired GE ViewPoint 6, a cardiovascular information system (CVIS) for echocardiogram procedures, and created a new form to improve charting of in-patients on cardiac rehabilitation. In November, in-house training for all echo technologists to increase knowledge and improve skills were facilitated. Towards year-end, the Center collaborated with the IT Division to eliminate the use of two software systems in generating informed consent.

The Vascular & Lymphedema Center (VLC) extended its services during holidays to reduce schedule lag time. In October, the VLC introduced a new screening procedure called Deep Vein Thrombosis (DVT) Screening Upper Extremities, which helps differentiate DVT Screening Lower Extremities, saving time for staff and preventing errors. These improvements helped the Center provide better services to patients and streamline operations.

In March 31, 2022, MMC Care Access opened a new outpatient center in Araneta City, making it the first satellite medical facility outside Makati. The center provides quality healthcare services, including health screening services, diagnostic imaging services, and hemodialysis treatment.

MMC Care Access | Discovery Primea collaborated with different institutions to issue medical certificates and create packages for OFWs. As a result, their patient census increased significantly from an average of 131 per month to 318.

The Business Operations Support Services Unit implemented the centralized results releasing and handling registration and billing for the Center for Tropical and Travel Medicine (CTTM) patients to provide a more convenient and accessible process.

To improve communication among the staff of Service Operations, MMC On-Call initiated the Local Master List project which reduced internal calls which resulted to better handling of external calls.

Despite another outbreak in the beginning of 2022, patient census showed that more patients are not fearful to visit the hospital compared to 2021. The patient census achieved in 2022 is 24% more than the previous year, surpassing the target by 5%. The procedure census also showed a 16% growth compared to last year.

With these initiatives and accomplishments, coupled with the growth in both patient and procedure census, the Outpatient Centers under Service Operations Division registered consolidated gross revenues of PhP 4.259B. This is 5% higher than target, 15% higher than 2021 and 14% higher than 2019.

Employee engagement activities are crucial in recognizing the hard work of employees because they help to cultivate a positive work environment that promotes motivation, commitment, and loyalty.

By acknowledging and celebrating achievements, MakatiMed values hard work and dedication, which can inspire other employees to strive for excellence and contribute to the organization's success.

The Service Operations Division implemented the following activities to help build a strong culture of performance and excellence within the organization:

Service Operations Day (Reconnect, Rebuild, and Rekindle): A yearly event that acknowledges all Service Operations employees for their contributions, and dedication to the organization. Customer Service Week: This activity aims to give attention to the importance of customer service and the people who provide quality service to patients.

S.T.E.L.L.A.R. Awards (Service Through Excellence, Loyalty, Leadership by Action and Response): An employee recognition program which identifies employees for their outstanding performance, dedication, and diligence in carrying out their duties and observing the goals and mission of their unit/department as well as the core values of the hospital.

InterACT (15 Minutes of Wins): An employee engagement project focusing on sharing employees' wins and gaining insights on positive experiences and perspectives about work. Fifteen-minute virtual interaction sessions are scheduled every Friday. All staff are encouraged to join and share their wins, and new hires are also introduced to the group.

Kumusta Ka Besh: A survey that measures the connection of employees, their work, team, and organization as a whole and examines the factors that influence it.

NURSING AND PATIENT CARE SERVICES

Nursing and Patient Care Services are the cornerstone of healthcare delivery, providing essential care and support to patients in their journey towards healing and wellness. In 2022, the Division continued to demonstrate unwavering dedication and resilience amidst the challenges posed by the COVID-19 pandemic. The Division is happy to share its standard of measurement: accomplishments in Nursing care through the reduction of pressure injury prevalence rates, optimization of inpatient room utilization, and management of the dynamic inpatient occupancy rate.

This 2022, a significant improvement was noted in the pressure injury prevalence rate. The rate decreased by 40% compared to the previous year, reaching a rate of 1.13 per 100 patients. This achievement reflects our commitment in implementing effective prevention strategies and delivering quality care to minimize the occurrence of

Managing the inpatient occupancy rate is crucial to balance the demand for beds with the availability of resources.

pressure injuries among our patients. Despite the increased demand for critical care services and the emergence of new challenges associated with COVID-19 care, our dedicated nursing staff demonstrated exceptional skills and vigilance in preventing these injuries.

Efficient utilization of inpatient rooms is vital to ensure optimal workflow and maximum utilization of resources. NPCS implemented a consistent strategy of pulling admissions from the Emergency Department (ED) and prioritizing timely discharges from the Regular Inpatient Units. This approach, coupled with close coordination between our Bed Managers, the ED Team, and the Admissions Unit, enabled us to effectively assign and deck rooms based on utilization patterns. By filling the least utilized or least preferred room types while awaiting availability of the most utilized or preferred rooms, we not only ensured smooth patient flow but also utilized unoccupied beds.

Managing the inpatient occupancy rate is crucial to balance the demand for beds with the availability of resources. In 2022, the average inpatient occupancy rate based on functional beds stood at 54%, with the highest rate of 61% recorded in September and the lowest rate of 48% in May. Our hospital has a total bed capacity of 534, with July reporting the highest number of available beds at 470 and January experiencing the lowest availability at 306. The allocation of beds between COVID and Non-COVID units varied each month based on the demand for patient admission and diagnosis. Notably, in January, when COVID cases surged, we successfully converted 7th Circular into a dedicated

Report of the President & CEO

COVID unit to meet the increased demand for specialized care.

In 2022, the Division experienced a significant 18.4% increase in attrition rate which impacted the nursing shortage and productivity. To manage it, nurses were rapidly replaced, but most were inexperienced. Despite the challenges posed by this trend, this allowed for a smooth transition and ensured continuity of care. NPCS recognized the global nature of the attrition problem, as the Philippines serves as a primary source of nursing manpower worldwide. To mitigate future attrition, the Division aims to enhance training programs, provide robust support for nurses' mental well-being, and implement measures to improve overall job satisfaction.

As part of our commitment to investing in our nursing staff, the Nursing and Patient Care Services Division prioritized certifications in specialty nursing care. In July 2022, five (5) team members successfully completed a comprehensive wound therapy course offered by SAHZU (The Second Affiliated Hospital of Zhejiang University of Medicine). This course covered various aspects of wound care and management, equipping our healthcare professionals with advanced skills and knowledge in wound assessment, healing physiology, infection control, and the utilization of advanced wound therapies.

Ten Emergency Nurses also underwent certification training provided by the Emergency Nurses Association (ENA) in the Emergency Severity Index (ESO) Triage system. This training, completed in

November 2022, enables our nurses to effectively prioritize patient care by accurately assessing patient acuity and assigning appropriate levels of care.

In October 2022, Makati Medical Center (MMC) and St. Paul University Manila (SPUM) formalized an academic partnership for the Master of Science in Nursing (MSN) Program. This collaboration aims to enhance the knowledge and skills of selected nursing leaders from MMC through the program offered by SPUM.

We proudly celebrated the achievements of 12 outstanding nurses through the prestigious DAISY Award. This recognition program highlights the remarkable contributions of nurses to patient care and fosters a culture of gratitude and appreciation for their unwavering dedication and hard work.

The Division aimed to address the competency gap for newly hired nurses, helping them perform their roles based on institutional practice standards through the Nurse Residency Probationary Program (NRRP). This structured program assists new graduate nurses in transitioning to professional nursing practice which includes classroom instruction, simulation-based training, and clinical experiences. A total of 806 new nurses completed the program across 36 batches, with an overall rating of 2.25 out of 3.00.

Two batches received comprehensive exam preparation and extensive review sessions through the Nursing-Licensure Educational Assistance Program (N-LEAP), resulting in passing rates of 81% and 73% respectively.

Through the Graduate Studies Assistance Program (GSAP), the NPCSD granted 100% scholarships to 43 qualified nursing leaders. In partnership with St. Paul University Manila (MSN degree) and University of Makati (MAN degree), this program aimed to achieve enhanced skills and knowledge, improved performance, career advancement, employee retention, and organizational development.

A significant improvement was noted in the pressure injury prevalence rate. The rate decreased by 40% compared to the previous year.

The Nursing Education Research and Development launched the six-week program called the Leadership Enhancement Advancement and Development Program (LEAD). It provided orientation for new nurse managers and individuals in the succession plan, while also serving as a refresher for other nursing leaders. Investing in employee professional development through these initiatives contributes to improved performance, increased job satisfaction, and long-term success for both employees and the organization.

These initiatives demonstrate our commitment to continuous improvement, professional development, and the recognition of our exceptional nursing staff. Through academic partnerships, specialized training, and acknowledgment of excellence, we strive to deliver the highest quality of care to our patients while nurturing a supportive and empowering work environment for our healthcare professionals.

As we move forward, we will continue to uphold the highest standards of nursing practice, pursue professional development, and embrace innovation to provide the best possible care for our patients.

We extend our heartfelt gratitude to the entire nursing staff for their unwavering dedication and the patients.

QUALITY MANAGEMENT

MakatiMed is known for its commitment to providing high-quality care to patients. To ensure the level of quality and service excellence, the Quality Management Division (QMD) consistently coordinates with the hospital's various clinical departments and administrations. The hospital's Clinical Safety and Risk Management (CSRM) Department conducted focus group discussions (FGD) in May 2022, which were attended by 41 out of 64 Quality Safety and Compliance Champions (QSCCs). The purpose of these FGDs was to provide updates to the QSCCs regarding the Culture of Safety Survey (COSS) data and activities that took

place in March and December 2022. These sessions served as an opportunity to engage with the QSCCs, gather their feedback, and address any concerns or questions they may have had.

The COSS is an essential tool in assessing the culture of safety within our organization. It provides valuable insights into the perceptions and experiences of our staff regarding safety practices, communication, and overall safety culture.

COSS Accomplishment reports outline the initiatives and actions taken to address the findings and recommendations from the COSS. They demonstrate our commitment to continuous improvement and patient safety. The effectiveness of these initiatives will be measured in the next COSS scheduled for August 2023.

In June 2022, CSRM hosted a three-day interactive event for the QSCCs to create awareness of different hospital safety and risk management activities. The event presented and discussed core principles, current events, and future activities of clinical safety and risk management topics. The workshops and lectures on root-cause analysis, failure mode and effects analysis, and business continuity plans were attended by more than 200 participants. The CSRM led the month-long observance of the World Patient Safety Day on August 30, 2022 which celebrated global action on the prioritization and advocacy of patient safety. To enhance the knowledge of employees, house staff, and medical staff regarding medication and patient safety, Patient Safety 3-day Challenge was implemented last September 14-16, 2022. On the lighter side, a tote bag contest was held where everyone was encouraged to share their talent and creativity by making their own tote bag designs reflecting this year's theme of Medication Without Harm.

The two-day Safety Quality Compliance (SQC) Assembly was conducted on November 24 to 25,

2022 which was attended by 161 healthcare professionals from 45 hospitals nationwide. Its purpose has been the same since its inception in 2019: to create an effective environment of learning where knowledge and experience may be shared to further elevate the healthcare standards in the country. This event was significant because it showed how the participating hospitals are willing to share its best practices to help others provide better patient care.

The Hospital Performance and Improvement Department (HPID) continued its efforts in data collection, tracking, and analysis to assist in the enhancement of the overall hospital quality system performance. The Business Process Management Unit (BPM) completed a significant number of projects for 2022, focusing on process improvement activities. Major accomplishments included the completion of studies on discharge, admission, and laboratory processes. The BPM also launched the Go Paperless Project (Zoho Sign) to reduce the use of paper in the hospital and promote sustainability.

The Performance Measures Management (PMM) Unit focused on managing and promoting data-driven and hospital-aligned Continuous Quality Improvement (CQI) programs. It assists in identifying, planning, and executing performance

indicators, improvement strategies, and projects that lay the groundwork for a culture of quality improvement and patient safety.

MakatiMed is relentless in its dedication to providing high-quality patient care. The hospital's commitment to excellence in patient care is demonstrated by its focus on data-driven quality management and process improvements. The hospital's efforts have not only improved its quality system performance, but it has also been willing to lead the way and share its best practices with other hospitals, with the aim to further elevate the healthcare standards in the country. With MakatiMed's focus on patient safety, it has undoubtedly set the bar high for other hospitals in the country to follow

HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT

Employee Engagement at MMC remained strong with various virtual events held to celebrate employee milestones and achievements. The hospital honored long-serving consultants and house staff who received awards, recognitions, and appointments, and have published studies in various local and global journals. MMC executives updated employees on the state of the hospital's operations during quarterly Town Halls and All Hands meetings with Line Heads. The hospital also collaborated with the MakatiMed Wellness Center to host a webinar during Mental Health Month, providing employees with free psychological consultations and support for the first time.

The Employee Well-being Clinic (EWC) continued to provide healthcare services to MMC employees with the development of a new Face-to-Face eQueuing system. The EWC delivered webinars on topics such as the Effects of Alcoholism and Proper Ergonomics, along with Mental Health in the Workplace. The Clinic also held eight (8) vaccination programs for various ailments such as Tetanus, Rabies, Hepatitis B, and Influenza, among others, adding up to a total of

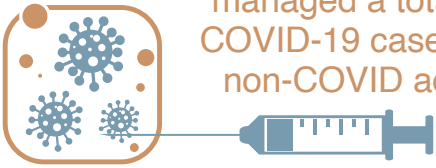


The hospital's commitment to excellence in patient care is demonstrated by its focus on data-driven quality management and process improvements.

Report of the President & CEO



EWC handled 31,214 consultations, including face-to-face and teleconsultations, and managed a total of 2,363 COVID-19 cases and 190 non-COVID admissions.



2,297 vaccines administered. In 2022, EWC handled 31,214 consultations, including face-to-face and teleconsultations, and managed a total of 2,363 COVID-19 cases and 190 non-COVID admissions.

Learning & Development Department (LDD) shifted to blended learning in 2020 and launched the Learning Management System (LMS) in 2021. Despite limitations, LDD conducted 291 runs of various training and skills development programs—reaching a 14% increase in the number participants for this year or a total of 5,893 employees in 2022 versus 5,191 employees in 2021. LDD also conducted a 3-day strategic planning session for Service Operations Division Leaders and prioritized leadership training, with six sessions held in the fourth quarter of 2022 where 74 MMC leaders attended.

For 2022, MMC experienced a significant attrition rate of 31.59%. A high attrition rate can have a profound impact on the organization, affecting employee morale and productivity. To effectively manage this situation, HRMMD plays a crucial role in addressing this issue by developing retention strategies, including the provision of career development opportunities and fostering a positive work environment.

To support in addressing this issue, MMC embarked on the Investors in People (IiP) journey

with the goal of achieving the highest level of accreditation in 2023. By aligning with IiP standards, MMC can enhance employee engagement, improve organizational performance, attract and retain top talent, foster a culture of continuous improvement, and gain external recognition and reputation. This accreditation promotes a positive work environment, enables professional development opportunities, positions MMC as an employer of choice, drives continuous improvement, and validates the organization's commitment to excellence in people management.

The Career Architecture Program (CAP) provides a comprehensive and transparent job structure for each division. Organization Development Department (ODD) activities in 2022 included 217 developmental assignments, 670 lateral transfers, updating 25 organization charts, creating three new ones, updating 98 job descriptions, and creating 37 new positions.

Talent Acquisition deployed a total of 1,525 new hires in 2022, with 1,376 employees onboarded for the Medical Group and 149 employees for the Corporate Group. 90% of these new hires were nurses, medical technologists, and other everyday heroes.

The Total Rewards Department (TRD) and HR Analytics Department (HRAD) successfully automated several processes and reports including:

- e-Multi Purpose Loan (e-MPL)
- e-Certificate of Employment (e-COE)
- e-Clearance
- e-Notification (Salary movements/Incentive/BIR form 2316)
- e-Dashboard for Employee Disciplinary Action Record (EDAR)
- e-Dashboard for RN Demographics and Attrition
- e-Library instant employee record filing system
- COVID-19 Tracker-Building database for EWC (Single source data for Covid tracker)

Report of the President & CEO



Talent Acquisition
deployed a total of
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Corporate Group.

- e-EWC Employee Health Profile Dashboard
- e-HR Report/database directly connected to IHIMS
- EWC Health Profile – Database Report
- Employee Expense (Medical) – Database Report
- Employee FreeMeds - Database Report
- Employee Medicine Discount - Database Report

This enabled to enhance efficiency, streamline operations, and improve employee experience. The automation also allowed for faster processing and reduces manual effort, leading to time and cost savings.

Moreover, TRD and HRAD assisted employees in securing and claiming their One COVID-19 Allowance (OCA) and Special Risk Allowance (SRA) equivalent to almost 10 months from the Department of Health (DOH). The release of these incentives brought much joy to the community, including employees, doctors, and outsourced services.

Furthermore, in adherence to the established standards, the TRD & HRAD updated several HR-related policies, including Loyalty/Service Awards, Meal Allowance, Hospital Uniform, Separation from Employment, Hospital Granted Leaves, Bereavement Assistance, Special/Hazard Pay, Group Life Insurance, Health Care Benefits, and Medical Device Fund.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

In 2022, the Information and Communications Technology (ICT) Division shifted its focus away from pandemic-related initiatives towards addressing the various needs and requirements of the hospital's different divisions. By the end of the year, the division had completed 130 projects, including the successful launch of the revamped Makati Medical Center website and the opening of the MMC Care Access - Araneta City offsite clinic.

As part of the Metro Pacific Hospitals (MPH) group, the ICT Division contributed to several digital transformation initiatives, such as the creation and launch of the group-wide interim dashboard for operational efficiency and the vendor search for the hospital's next hospital information system (HIS) and electronic medical records (EMR). The Division also made continuous improvements in cybersecurity and IT infrastructure, implementing a new backup and recovery system, and installations of redundant Uninterrupted Power Supply (UPS) in the data center.

The ICT Division worked closely with corporate and medical groups in the hospital to ensure that technology made the lives of everyone in the



**Information and Communications
Technology (ICT)**

hospital; including the patients we serve, easier and safer. The team's dedication to providing high-quality services to patients and collaborating with other departments were instrumental in achieving these successes.

FACILITIES MANAGEMENT AND ENGINEERING SERVICES

The Facilities Management and Engineering Division (FMED) once again successfully served the hospital community with a total of 102 facility-related projects completed, equivalent to PhP 111M. Notable accomplishments include the expansion project of a new outpatient services facility at Araneta City, Cubao, the conversion of the former Maxicare Area at the 3rd floor Tower 1 into a new doctors' clinic with six rooms, the transformative makeover of three Maternity Patient Rooms at the 5th floor Tower 1 (1 suite and 2 large private rooms), the upgrade of Cooling Tower 1 to 3 as part of cost savings and efficiencies, the completion of structural retrofitting works for Tower 1 and 2 for safety concerns, the asphalt overlaying of the Main Driveway and Emergency Area, the waterproofing works of CP Manahan and Utility Deck, and the replacement of 18 units of aircon/fan coil units in various areas.

In addition to these accomplishments, FMED has also managed to save a total of 244,901 kilowatt-



102 facility-related projects completed, equivalent to PhP 111M

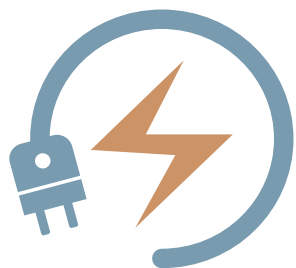
hours equivalent to PhP 2.5M compared to 2021, despite an increase in census and equipment. We have also achieved lower hazardous waste production by 60,610 kilograms compared to 2021, equivalent to PhP 892K, and a decrease in the consumption of water by 27,774 cubic meters, equivalent to PhP 4.2M against 2021.

We have exceeded our targets and delivered excellent service to the hospital community. We remain committed to our efforts in providing a safe, efficient, and sustainable environment for our patients, staff, and stakeholders.

CORPORATE SOCIAL RESPONSIBILITY

Beyond our mission of providing quality healthcare, MakatiMed is committed to serving the community and fulfilling its corporate social responsibilities. Here are some of the initiatives that we have implemented to give back to the community:

1. One Good Deed - In this initiative, MakatiMed's Service Operations staff placed their food orders and surprised the riders when they handed off food to them. This gesture shows how MakatiMed values the people who serve the community, especially during the pandemic.
2. Child Haus - MakatiMed has partnered with Child Haus, a center that provides a place of respite for cancer-stricken children from the provinces who need financial support for their treatments and a place to stay. In April, the Service



FMED managed to save a total of 244,901 kilowatt-hours equivalent to PhP 2.5M

Report of the President & CEO

Operations team, in cooperation with the Managers Council, provided medicines, coloring books, crayons, and hygiene kits to the children, showing their support for these young patients and their families.

3. Concordia Children's Services - In August, MakatiMed representatives from different Outpatient departments distributed milk, rice, medicines, diapers, and cleaning packs for children and caregivers of the center. This initiative demonstrates MakatiMed's commitment to helping improve the lives of children in need.
4. AETA Community Outreach - MakatiMed's Wellness Center, in partnership with the MMC Foundation and PLDT-Smart Foundation, distributed 600 bags of school supplies to Aeta children. This initiative is an example of MakatiMed's dedication to promoting education and empowering marginalized communities.

Through these initiatives, Makati Medical Center has shown that it is not only a world-class healthcare provider but also a socially responsible corporation that cares for the welfare of the community. MakatiMed's commitment to service and its efforts to help those in need are admirable and serve as an inspiration to others to give back and make a positive impact on society.

As we look ahead, we are excited to explore new opportunities to enhance our healthcare services and improve patient outcomes. We aim to leverage the latest technology, advance research, and foster collaboration among healthcare professionals to deliver innovative and evidence-based care.

The challenges we faced in the past year have shown us that resilience, adaptability, and teamwork are essential in navigating through difficult times. We are grateful for the unwavering support and trust of our patients, partners, and stakeholders who have been with us in this journey.



Makati Medical Center has shown that it is not only a world-class healthcare provider but also a socially responsible corporation that cares for the welfare of the community.

I would like to express my deepest appreciation to our steadfast healthcare professionals, staff, and volunteers who have shown exceptional dedication and compassion in providing care to our patients. Together, we will continue to advance healthcare and make a positive impact on the lives of those we serve. With continued commitment and the support of our community, I am confident that Makati Medical Center will continue to reimagine the future of patient care and deliver outstanding healthcare services for years to come.

Let me end this report with an assurance to every stakeholder of Makati Medical Center that the entire management team is fully and unconditionally committed to live its mission, vision, and values in every operational undertaking. The future promises a stronger hospital with a heart.

Thank you.

Atty. Pilar Nenuca P. Almira
President & CEO

REPORT OF THE MEDICAL DIRECTOR



**SATURNINO P. JAVIER, MD,
FPCP, FPCC, FACC, MMHoA**
Medical Director

I am very pleased to report the highlights of 2022 to the entire Makati Medical Center (MMC) community of physicians, nurses, trainees, allied medical professionals, employees and stockholders. More than two years into the COVID-19 pandemic, MMC rose to the challenges of 2022 on clinical, operational and financial fronts. Alongside the need to ensure that the clinical programs and operations remained stable and strong - especially because of the impact of the Omicron variant surge in January 2022, I reaffirmed the commitment of the Office of the Medical Director and all its Divisions, Departments, Sections and Committees to the following thrusts: more vibrant physician engagement, notable recognition processes, innovative clinical services and packages, robust clinical research program, new international collaborations, new training programs, and improved business continuity plan amidst the pandemic. As the year ended with significant milestones brought about by the enthusiastic involvement and collaborative spirit of all the Clinical Units with the other Divisions of the hospital, I gratefully acknowledge the support and contribution of each and every member of the MMC medical community.

PHYSICIAN ENGAGEMENT

Physician Engagement Council

The Physician Engagement Council was formed in the 3rd quarter of 2022 (August) with the foremost goal of embarking on strategies that will streamline communication and align the physicians with the values, vision and mission of MMC and eventually forge a strong relationship within the medical community. The first meeting of the council was held on August

18, 2002. The initial composition of the Council included the following : Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA (Medical Director), John Vincent G. Pastores, MD (Medical Services Division), Mila D. Uy, MD (Hospital Compliance Licensing and Accreditation Division), Victor K. Gozali, MD (Credentialing and Privileging Committee), Noel L. Rosas, MD (Professional Services), Artemio C. Salvador, MD (Quality Management Division) and Jay Arnold F. Famador, MD (MMC Medical Staff Association).

As part of the thrusts of the Physician Engagement Council, the first planning session with Clinical Department Chairpersons and Section Chiefs was held on March 03, 2022. The 17 Clinical Department chairpersons were tasked to present the department's new services, procedures, packages, as well as new staff members and state-of-the-art technology. The sessions were moderated by Dr. Rosas and Dr. Uy.

'Meet and Mingle' at the Manila Peninsula

Metro Pacific Health hosted an evening of music, light conversations and dinner with key leaders of the Clinical and Medical Divisions of MMC, physician members of the MMC MDI board, and select MMC management officers at the Rigodon Ballroom of Manila Peninsula, Makati City on September 29, 2022. The event provided a venue for a more personal and informal interaction between Metro Pacific Hospital/ KKR Senior Management and Makati Medical Center's clinical and corporate leaders. Chairman Manuel V. Pangilinan graced the occasion and delivered an inspiring message.

CONGO Summit

The CONGO (Cardiology, Oncology, Neurology, Gastroenterology, Orthopedic Surgery) clinical leaders first convened on May 23, 2022. Initial planning group was composed of the following key individuals in their capacity as Chairperson/ Head

of the Department or Chief of Section: Jose Paulo P. Lorenzo, MD (Medicine), Saturnino P. Javier, MD (Cardiology), Victor K. Gozali, MD (Cancer Center), Ma. Belen E. Tamayo, MD (Cancer Center) Antonio A. Rivera, MD (Orthopedic Surgery), D. Darwin A. Dasig, MD (Neurology), Michael N. Sabalza, MD (Neurosurgery) and Carlo M. Cornejo, MD (Gastroenterology).

Following this initial discussion among the clinical leaders, the 1st CONGO Summit was held on June 02, 2022 attended by the CONGO key leaders and their corporate counterpart leaders composed of Atty. Pilar Nenuca P. Almira, (President/CEO), Noel L. Rosas, MD (Professional Services), Marichu L. Catan, MD (Business Development), Ms. Arlyn L. Songco (Creative Communications and Sales), Mr. Rey J. Lim (Service Operations), and Mr. Arnold C. Ocampo (Finance). Also in attendance were , Anna Marie Sage-Nolido, MD (Neurology), Joaquin Emilio Fausto G. Jison, MD (Interventional Cardiology) and Carlo Angelo V. Borbon, MD (Orthopedic Surgery).

The CONGO summit was held with the following key objectives: alignment of all efforts to strengthen the thrust of MMC on the CONGO

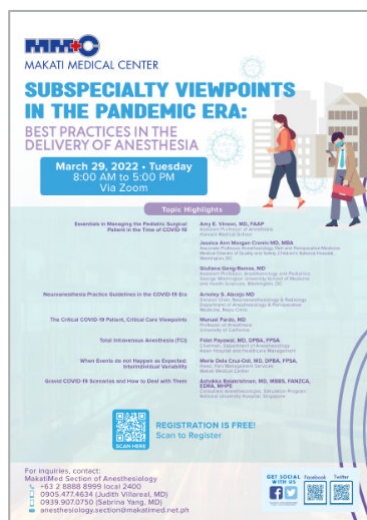


domains, to explore possible capital expenditure for appropriation to these specialties and services, to conceptualize products/packages that will entice both MMC and non-MMC clientele [...plug the leaks"], to craft the ideal process from 'idea' to 'product' and to enlist the support of the concerned divisions. From this Summit, several key thrusts were identified to build and support the initiatives of the CONGO departments.

CONTINUING PHYSICIAN DEVELOPMENT

Notwithstanding the ongoing pandemic, the various Departments and Sections successfully held postgraduate courses and other educational activities as a manifestation of the commitment of the medical community to Continuing Physician Development. These are the following:

- The Department of Anesthesiology held its Postgraduate Course entitled *Subspecialty Viewpoints in the Pandemic Era: Best Practice in the Delivery of Anesthesia* [March 29, 2022]
- The Section of Rheumatology held its 3rd Post-graduate Course entitled *Rheum for Improvement: An Updated Understanding and management of Inflammatory Arthritis* [June 23-24, 2022]
- The Department of Otorhinolaryngology held its 17th Postgraduate and Webinar Series entitled *Surgical Histopathology and Cytology of ENT – Head and Neck Diseases and Imaging Studies* [June 23-25, 2022]
- The Department of Emergency Medicine held its 25th Annual Symposium entitled



Report of the Medical Director

“Silver Lining: Overcoming Obstacles Towards Excellence” [September 20-23, 2022]

- The Department of Pediatrics held its Virtual Scientific Symposium entitled “FOCUS: Focusing on Optimizing Health, Changing Perspectives and Uncovering Solutions in Preventive Pediatric Care”. [October 17-18, 2022]
- The Section of Endocrinology, Diabetes and Metabolism held its 11th Virtual Postgraduate Course entitled “Redefining Understanding Beyond the Years in Support of Health Across All Ages” [November 14 and 15, 2022]
- The Department of Surgery held its 5th Postgraduate Course entitled “Multidisciplinary and multimodal practices in Cancer Surgery” [November 14-15, 2022]

TRAINING PROGRAMS

The Division of Medical Education and Research (DMER) under the able stewardship of Ma. Rosario P. Marin, MD, along with the other officers – Ramon D.S. Francisco, MD (Residency); Ma. Milan P. Tambunting, MD (Internship); Jimmy B. Aragon, MD (Fellowship), Celeste Aida G. Gali, MD (Clerkship); Jennifer Theresa G. Tiglaio, MD (Community Medicine); Jillian Mae L. Tabora, MD (Community Medicine) and Jacqueline H. King, MD (Bioethics) continued its task of overseeing 82 Interns and 230 Residents in 17 Residency Training programs (Anesthesiology, Dermatology, Emergency Medicine, Medicine, Neurology, Neurosurgery, Psychiatry, Nuclear Medicine, Obstetrics & Gynecology, Ophthalmology, Orthopedic Surgery, Otorhinolaryngology – Head & Neck Surgery, Pathology & Laboratories, Pediatrics, Radiology, Radiation Oncology and Surgery).

For the MMC Fellowship Training Programs, DMER continued its focused supervision of 77 Fellows in 26 training programs namely – Regional



MMC Critical Care Team

Dion Gerald V. Ubaldo, MD	Vanessa Yap-Yacopin, MD	Anton Micael K. Dela Cruz, MD	Ma. Claudia G. Alcantara, MD	Rod T. Castro, MD
Kevin B. De Asis, MD	Emily Tan-Aventura, MD	Joseph Joven C. Gammad, MD	Oliver M. Sansano, MD	Zelaire Villegas, MD

Team Composition:
4 cardiologists, 2 pulmonologists,
2 anesthesiologists, 1 surgeon

MAKATI MEDICAL CENTER

Gary A. Lopez, MD
HEAD, Critical Care Program

Report of the Medical Director

Anesthesia, Cardiology, Cardiac Rehabilitation, Echocardiography, Cardio – Oncology, Endocrinology, Gastroenterology, Hematology, Infectious Diseases, Medical Oncology, Nephrology, Pulmonary Medicine, Rheumatology, Critical Care Medicine, Stroke and Vascular Neurology, Section of Neurology Movement Disorders, Maternal Fetal Medicine, OB-GYN Ultrasound, Clinical Microbiology, Pediatric Pulmonology, Breast Imaging, CT-MRI, Interventional Radiology, Ultrasonography, Section of Plastic and Reconstructive & Aesthetic Surgery.

The Cardiac Rehabilitation Society of the Philippines officially accredited Makati Medical Center as a training center for Cardiac Rehabilitation in May 2022.

The Critical Care Program was launched in July 2022. A team of intensivists/critical care physicians were integrated into mainstream care in the Intensive Care Units (ICU)- namely the Neuro/CV ICU, the Medical ICU, Telemetry and Intermediate Care Unit [IMCU]. All members of this Team were duly credentialed by the Medical Services Division - solely for Critical Care.

The program seeks to improve even more the brand of compassionate, ethical, professional and top-quality care in MMC. The Critical Care Program also seeks to open a Fellowship Training Program in the months to come.

A new Fellowship Training Program, the Cardio-Oncology program, was established by the Section of Cardiology, in August 2022 in collaboration with the Section of Oncology. The new program was cited by the Philippine Heart Association for its pioneering effort to develop expertise in a new emerging discipline of Cardiology.

Inauguration of Trainees' Lounge

A trainees' lounge, equipped with basic amenities, has been a recurring item in the wish list of the



Division of Medical Education and Research for many years. In keeping with the Management's commitment to support initiatives that promote the well-being of MMC Trainees, a newly constructed trainees' Lounge located at the 10th Floor, Tower 1 was inaugurated on June 21, 2022.

Board Accreditations

In 2022, several Training Programs and Departments successfully renewed their accreditations with the respective Specialty Boards – ensuring that the quality of the programs were maintained and fully aligned with national and international standards.

Many graduates of several MMC Training Programs successfully hurdled the following diplomate examinations given in 2022. Several departments posted a 100% passing mark in these diplomate examinations. Undoubtedly, they all continue to be source of pride for Makati Medical Center.

The graduates of the Residency Training Programs in the following Departments and Sections passed the diplomate examinations in the following fields:

Report of the Medical Director

1. Department of Anesthesiology [April 3, 2022]
2. Department of Dermatology [June 6, 2022 - written; June 7, 2022 - oral]
3. Section of Neurology (August and October 2022)
4. Section of Psychiatry [September 4, 2022 - written, September 30, 2022 - oral]
5. Department of Obstetrics & Gynecology [July 10, 2022 - written]
6. Department of Orthopedic Surgery [July 9, 2022 - written, July 10, 2022 - oral]
7. Department of Otorhinolaryngology – Head and Neck Surgery [October 10-11, 2022 - written, October 16, 2022 - oral]
8. Department of Pediatrics [November 16, 2022 - written]
9. Department of Radiology [January 16-17, 2022 - written, January 23, 2022 - oral]
10. Section of Radiation Oncology [January 15, 2022 - written, January 16, 2022 - oral and practical]
11. Department of Surgery [May 22, 2022 - written, June 26, 2022 - oral]

The graduates of the Fellowship Training Programs listed below successfully passed their respective subspecialty board examination:

1. Section of Cardiology [May 1, 2022, written and oral]
2. Section of Gastroenterology [September 12, 2022 – written; October 9, 2022 - oral]
3. Section of Pulmonology [January 20, 2022 – written; February 6, 2022 - oral]
4. Section of Rheumatology [November 20, 2022 - written]
5. OB-Gyn Ultrasound [September 25, 2022 – written; October 18, 2022 - practical]

CULTURE AND ARTS

To further enrich the medical community through diverse cultural and artistic platforms, the Office of the Medical Director fully embraced and supported

the various cultural and artistic programs of the Department of Ethics and Culture in collaboration with the MMC Medical Staff Association and the Division of Medical Education and Research.

1st ANA Bioethics Memorial Lecture

To honor the memory of one of the pioneering bioethics proponents of MMC, the 1st Dr. Adoracion Nambayan-Abad Bioethics Memorial Lecture was held virtually on January 28, 2022. The speaker was Vermen V. M. Verallo, MD, FPDS, FAAD, FASDP, Head of the Department of Culture, Division of Medical Education and Research, who spoke on “The Honest Physician: A Review on Dishonesty”. Mr. Pedro C. Dimaculangan, School of Economics, University of Asia and the Pacific and Rev. Fr. Ramon E. Nadres, PhD, Faculty of Philosophy, Catholic University Widya Mandala were the guest reactors.

MMC
MAKATI MEDICAL CENTER
BIOETHICS EDUCATIONAL COMMITTEE
DIVISION OF MEDICAL EDUCATION AND RESEARCH
in collaboration with the
DEPARTMENT OF INTERNAL MEDICINE

THE 1ST DR. ADORACION NAMBAYAN-ABAD BIOETHICS MEMORIAL LECTURE
January 28, 2022, Friday, 10:00 AM-12:00 PM
via Zoom
CPD Unit: 0.75

**The Honest Physician:
A Review on Dishonesty**
Vermen V.M. Verallo-Rosell, MD, FPDS, FAAD, FASDP
Head, Department of Culture
Division of Medical Education and Research

Guest Reactors

Mr. Pedro C. Dimaculangan
School of Economics,
University of Asia and the Pacific

Rev. Fr. Ramon E. Nadres, PhD
Faculty of Philosophy,
Catholic University Widya Mandala

Meeting ID: 975 9918 0395
Meeting Passcode: 526668

For inquiries, call Ms. Lois Angiela O. Pagador
at +63 2 8888 8999 local 7169, or email
LoisAngiela.Pagador@makatimed.net.ph.

SCAN ME

Report of the Medical Director

The Battle for Facts

MMC had the distinction and privilege of hosting a special talk that featured Nobel Peace Prize recipient Maria Angelita Ressa on July 18, 2022, at the 8F Auditorium, Tower 2. With Mr. Coco Alcuaz, Executive Director of the Makati Business Club as Moderator, the event put forth a strong reminder to everyone to continuously search for the facts and uphold the truth in our modern-day activities.



MMC
MAKATI MEDICAL CENTER

THE BATTLE FOR FACTS
Maria Angelita Ressa

Moderator:
Coco Alcuaz, Jr.
Executive Director, Makati Business Club

July 18, 2022 • Monday
5:00 PM to 7:00 PM
Auditorium, 8th Floor, Tower 2
Makati Medical Center
Limited seating capacity. Please register in advance.

Via Zoom
Scan to Join Zoom Webinar
<https://tinyurl.com/mk2d24y>
Username: 875 0106 0646
Passcode: 331684
Registration Form

For inquiries, contact:
MakatiMed Ethics and Culture
☎ +632 8888 8999 local 7169
☎ 0919 094 5549 (Lois Angiela O. Pagador)
✉ LoisAngiela.Pagador@makatimed.net.ph



Piano Recital of Ingrid Santamaria

As part of the 53rd Anniversary celebration of MMC, Dr. Ingrid Sala Santamaria performed a Tchaikovsky Piano Concerto No. 1 in B-Flat minor Op 23 at the 8F Auditorium [Tower 2] on June 02, 2022, 5pm-7pm. Dr. Santamaria was joined by Prof. Jonathan Arevalo Coo.



MMC MAKATI MEDICAL CENTER
53 years
Leading the Way to Excellence

Piano Concert

Dr. Ingrid Sala Santamaria
Prof. Jonathan Arevalo Coo

June 2, 2022 • Thursday
5:00 PM - 7:00 PM
Auditorium, 8th Floor, Tower 2
Makati Medical Center
100 Max Capacity. First Come, First Served

via Zoom

Scan to Join Zoom Webinar
<https://bit.ly/3wCOI56>
Webinar Username: 895 5117 7514
Passcode: 842347

For inquiries, contact:
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Report of the Medical Director

Precious Diamonds

On December 1, 2022, the Department of Ethics and Culture, MMC Medical Staff Association (MSA), DMER, and the Office of the Medical Director, joined by the MMC Foundation, organized a touching musical tribute and captivating art exhibit in honor of the outstanding nonagenarian physicians of MMC who had selflessly shared many decades of their lives to the institution and community. The Precious Diamonds who were honored included: Florina R. Kaluag, MD

(Cardiology), Ponciano D. Manalo, MD (Plastic & Reconstructive Surgery), Roberto K. Macasaet, MD (Urology), Remedios G. Suntay, MD (Anesthesiology), Vicente Q. Arguelles, MD (Surgery), Rodolfo B. Herrera, MD (Urology), Santiago A. Del Rosario, MD (Obstetrics and Gynecology), Tito P. Torralba, MD (Rheumatology), Augusto D. Litonjua, MD (Endocrinology). The event was a poignant and powerful reminder of how MMC never ceases to pay tribute to its physicians long after they have gone past their prime.





MAKATI MEDICAL CENTER




Precious Diamonds

A Christmas Tribute to the Sterling Physicians by MMC Artisans

Serenaded By:

- Fatima Johanna Santos-Ocampo, MD
- Bea Lorenzo

December 1, 2022 - Thursday
2:00 PM - 6:00 PM

Auditorium, 8th Floor, Tower 2
Makati Medical Center
2 Amoroso Street, Legaspi Village
Makati City, Philippines 1229
100 Max Capacity

Via Zoom
<https://bit.ly/3DUGT3w>
Username: 876 0340 8421
Passcode: 947419



Attire: Formal

For inquiries, contact:
DMER - Department of Ethics and Culture
☎ +632 8888 8999 local 7169
☎ 0919 094 5549 (Lois Angeli O. Pagador)
✉ LoisAngeli.Pagador@makatimed.net.ph

Programme

2:00 PM	Ribbon Cutting for Art Exhibit by MMC Doctor Artisan Painters Joseph Ray Richard R. Cedeno, MD
3:00	Opening Ceremony: Prayer, National Anthem, & MMC Hymn Dennis G. Damaso, MD Chairman, Medical Ethics Committee
3:10	Welcome Remarks Saturnino P. Javier, MD Medical Director
3:25	Entrance of MMC Precious Diamonds Florina R. Kaluag, MD Ponciano D. Manalo, MD Roberto K. Macasaet, MD Remedios G. Suntay, MD Vicente Q. Arguelles, MD Rodolfo B. Herrera, MD Santiago A. del Rosario, MD Tito P. Torralba, MD Augusto D. Litonjua, MD
	Serenaded By: Fatima T. Santos Ocampo, MD and Bea Lorenzo
4:35	Response from the MMC Precious Diamonds Santiago A. del Rosario, MD MMC Diamond, Obstetrics & Gynecology
4:50	Closing Remarks Atty. Pilar Nenoca P. Almira President and CEO
5:00	Art Exhibit (for the benefit of the MMC Foundation)



Master of Ceremonies:
Agripino Beng-Javier, MD & Donna G. de Padua, MD

Report of the Medical Director

PARTNERSHIPS AND COLLABORATIONS

Partnership with US Center for Disease Control and Prevention

MMC partnered with US Center for Disease Control and Prevention as part of the Global Action in Healthcare Network [GAIHN]. The Certificate of Participation was personally received at the Office of the Medical Director from Alexandra Taylor (Senior Program Manager, HSP), Mardee Balde (GAIHN Network Coordinator, HSP), Matthew Westercamp (Epidemiologist, CDC) and Reed Magleby, (Epidemic Intelligence Service Officer, CDC) on September 9, 2022. This was witnessed by Ma. Tarcela S. Gler, MD and Janice C. Caoili, MD of the Section of Infectious Diseases.



MMC and Stanford Collaboration

The initial discussion between MakatiMed and Stanford University of the United States of America regarding a collaborative teleconference on Neuroscience Advancements was held virtually on March 24, 2022. Stanford provided a quick background of the International Medical Services organizational structure, scope of services, educational exchanges, second opinion, and clinical observership program. It was attended by

Saturnino P. Javier, MD, Ma. Rosario P. Marin, MD, Dennis G. Damaso, MD and Regina M. Canlas, MD, Fouzel Dhebar (Executive Director, Health Navigation Services), Xiang Qian (Medical Director, International Medical Services), Christina Li [Director, International Medical Services), and Fiorenza Lukas (International Medical Services).

MMC and UC Davis Collaboration

MMC Management, represented by Atty. Pilar Nenuca P. Almira (President/CEO) and Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA (Medical Director), and UC Davis Comprehensive Cancer Center, represented by Primo Lara, MD, had a virtual signing of Memorandum of Understanding between the two institutions on May 11, 2022. This would pave the way for areas of collaboration in exchange of knowledge, training, research among others.



Report of the Medical Director

Collaborations with Other Healthcare Institutions for Training

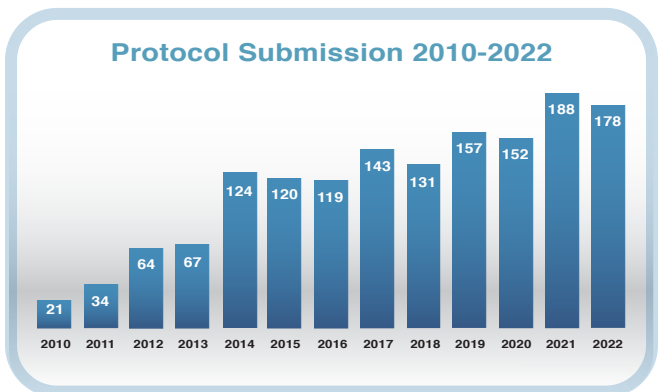
The Division of Medical Education and Research renewed, as well as established new collaborations with partner healthcare institutions, in compliance with certain specialty board requirements, as well as fulfilling the need to widen the scope of training of MMC Trainees.

INTERNSHIP	
Bukas Palad Foundation	January 2022 and renewed every year
RESIDENCY TRAINING	
Department of Dermatology	
Ilocos Training & Regional Medical Center	January 01, 2022 to December 31, 2024
Department of Emergency Medicine	
Ospital ng Makati	April 01, 2022 to March 31, 2023
Department of Internal Medicine	
Tejeros Health Center	March 09, 2022
Department of Otorhinolaryngology	
Order of Malta	March 2022 to February 2023
Section of Hematology	
Northern Mindanao Medical Center	August 19, 2022
Section of Medical Oncology	
Dr. Camille Danila L. Mirhan-Inting	April 29, 2022
Department of Obstetrics & Gynecology	
Ospital ng Muntinlupa	October 01, 2022 to September 30, 2023

RESEARCH PURSUITS IN MMC

The hospital continued to be a wellspring of knowledge and information from clinical trials and investigations conducted by many MMC-based investigators and trialists. In 2022, the MMC Institutional Review Board (IRB) provided ethics review and oversight of 178 investigations. The breakdown of protocols and the IRB decision is shown:

- Total number of submissions: **178**
- Approved: **105**
- Approved and ongoing: **96**
- Approved and completed: **9**
- Exempted protocols: **29**
- Protocols withdrawn or review on hold prior to decision: **8**



Report of the Medical Director

To further promote the research infrastructure and capabilities of MMC, the 1st Clinical Research Week, spearheaded by the Clinical Research Center and the Division of Medical Education and Research, was held on May 16-20, 2022. It featured several notable talks on the following topics namely:

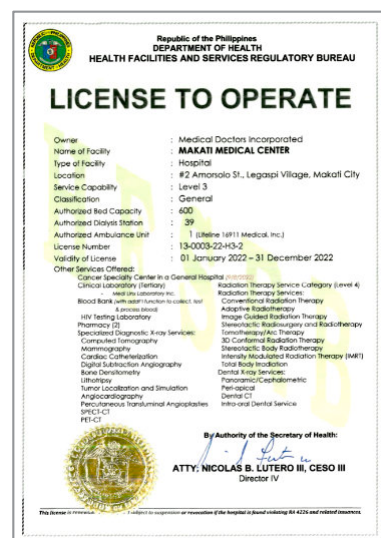
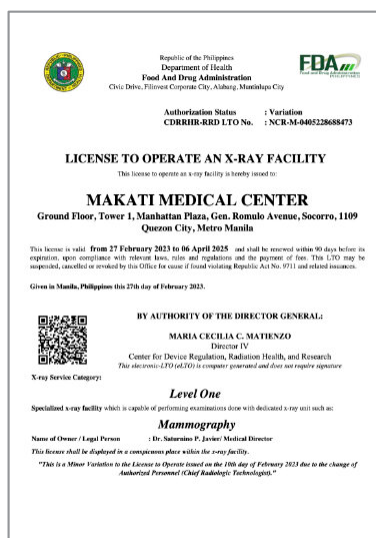
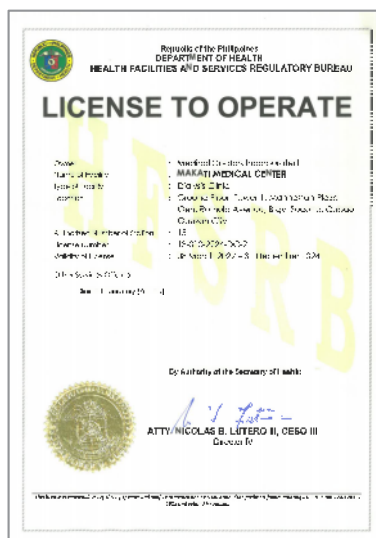
1. Basics of Clinical Research by Anna Guia O. Limpoco, MD
2. Opportunities for Clinical Research by Jennifer M. Nailes, MD
3. Clinical Research in the Time of COVID by Enrique A. Tayag, MD

LICENSING AND ACCREDITATION

The Hospital Compliance, License and Accreditation Division (HCLAD) facilitated the various processes to obtain the following operational requirements in 2022:

- DOH License to Operate a Dialysis Clinic – Medical Care Access (MCA) Araneta City (March 8, 2022)
- Philhealth Accreditation- MCA Araneta City (March 18, 2022)
- FDA License to Operate a Medical X-Ray Facility – MCA Araneta City (April 5, 2022)

Notably, Makati Medical Center was accredited as a Cancer Specialty Center in a General Hospital on September 8, 2022, making it the first private hospital to be accredited as such.



Report of the Medical Director

POLICY OF INCLUSIVITY IN FULL FORCE

Adhering closely to the policy of inclusivity which has been consistently adopted by the medical leadership, the Medical Services Division and its Credentialing and Privileging Committee welcomed all those staff members with additional expertise and competency that would further enhance the services and capabilities of MMC and its physicians – a total of 60 new staff members in 2022.

NEW STAFF MEMBERS FOR 2022	
Department	Total
Anesthesiology	1
Emergency Medicine	4
Medicine	14
Neurosciences	6
Obstetrics & Gynecology	3
Ophthalmology	3
Orthopedic Surgery	2
Otolaryngology	1
Pathology	4
Pediatrics	8
Radiology	5
Surgery	9

MEDICAL STAFF MEMBERSHIP FOR 2022	
Newly Approved	60
Upgrade of Status	33
Renewal of Membership	561
Non-Renewal of Membership	33
Neurosciences	6
Obstetrics & Gynecology	3
Ophthalmology	3
Orthopedic Surgery	2
Otolaryngology	1
Pathology	4
Pediatrics	8
Radiology	5
Surgery	9

REAPING HONORS AND AWARDS

Makati Medical Center amassed a treasure trove of awards and recognition in 2022 - both locally and internationally, making it truly a leading healthcare institution in the country.

In September 2022 – MakatiMed's *I'm Hear:PXU Telerounds* won Gold in the Patient Experience Improvement Category at the 2022 Asian Hospital Management Award (AHMA), besting 267 entries from 102 hospitals across 12 Asian countries.

Also in November 2022, the MMC Antimicrobial Stewardship Unit (along with the Pharmacy Services and the Infection Prevention and Control Unit) was adjudged as Antimicrobial Resistance (AMR) Champion in the Hospital Category during the Philippine Antimicrobial Awareness Week by the Department of Health. The MMC entry was in support of the goals of promoting rational use of antimicrobial agents across all relevant sectors and preventing antimicrobial resistance amidst and beyond the COVID-19 pandemic through one-health approach.

In the fourth quarter of 2022, the Stroke Team of the Section of Neurology paved the way for MMC to achieve a Platinum citation by the World Stroke Organization (WSO) Angels Awards Initiative. This citation essentially recognizes hospitals that have demonstrated clear commitment to quality stroke care and have established cultures and systems to support continuous improvement. The Platinum citation followed several quarters (Q1, Q2 and Q3 of 2022) of Gold Status from WSO.

Hospital Star Awards

The Department of Health (DOH) held the 2nd Annual Hospital Summit and Hospital Star Awards with the theme "Breaking the Barriers of Mediocrity: The Best Pandemic Responders" on November 21,

2022, at JPark Island Resort and Waterpark, Mactan, Cebu. The DOH Hospital Star Awards was established to honor the top performing hospitals in the country and those that uphold the delivery of quality services to the Filipino people. In this summit, MakatiMed was awarded its 3rd Hospital Star Award for continued excellence in COVID-19 pandemic response. MakatiMed was only one of 15 tertiary hospitals in the country, and 15 out of 100+ hospitals, both government and private, to be recognized with this award.

Medical Director is Outstanding Thomasian

Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA, the MMC medical director, was awarded the Outstanding Thomasian Alumni (TOTAL) Award in the Health Allied category by the University of

Santo Tomas in solemn ceremonies held at Dr. Robert C. Sy Grand Ballroom, Thomasian Alumni Center on May 14, 2022. The TOTAL award is the highest award conferred by the university upon individuals who exemplify the Thomasian core values in their respective field of expertise.

Outstanding MMC Physicians

In keeping with the time-honored tradition of recognizing all those physicians (consultants and trainees) who bring honor to Makati Medical Center, the first ever MMC Physicians Awards & Recognition Ceremonies was held at the 8F Auditorium on June 29, 2022. Spearheaded by the Office of the Medical Director in collaboration with the Medical Services Division and Division of Medical Education and Research, this special event sought to accomplish three goals---- to honor all the doctors who excelled or who were recognized in their respective fields locally and internationally, to pay homage to the departed colleagues and to applaud the services of the physician retirees. The event was hosted by Ma. Gia B. Sison, MD, Head of MakatiMed Wellness Center, and Ramon I. Diaz, Jr., MD, Chief, Section of Thoracic and Cardiovascular Surgery.

For this year, the Physician Awards and Recognition committee was composed of the following: Saturnino P. Javier, MD, Medical Director as Chairman, Ma. Rosario P. Marin, MD, Director of Division of Medical Education & Research, Victor K. Gozali, MD, Chairman, Credentialing and Privileging Committee, Noel L. Rosas, MD, Director, Professional Services Division, Mila D. Uy, MD, Director, Hospital Compliance, License and Accreditation Division, and John Vincent G. Pastores, MD, Director of the Division of Medical Services.

The 2022 awardees are the following:



Report of the Medical Director



Dr. Ananias A. Cornejo



Dr. Jaime T. Zamuco



Dr. Clemente C. Gatmaitan, Jr.



Dr. Bienvenido A. David

1st MMC Physicians Awards & Recognition Ceremonies

June 29, 2022

- Celebration of the lives of the departed MMC staff
- Thanksgiving for the nine retirees after decades of service to Makati Medical Center
- Recognition of physicians who have brought honor and glory to MMC -
- Distinguished achievements /awards of distinction
- Leadership in medical societies - local and International
- National posts/appointments
- Specialty boards/board of examiners and accreditation boards
- Pioneering, groundbreaking research
- Editorship in journals/scientific publications
- Noteworthy publications and presented research in scientific congresses



Report of the Medical Director

OTHER CLINICAL MILESTONES

In September 2022, the Department of Pediatrics had its youngest open heart surgery patient. At nine months of age, this patient underwent bidirectional bilateral Glenn shunt, performed for the first time in MMC by Pediatric Thoracic and CV surgeon, Carlo Garcia, MD and pediatric CV Anesthesiologist Abelardo Alan M. Prodigalidad, MD and monitored by Pediatric Cardiology Team: Dexter Eugene D. Cheng, MD; Aurelia G. Leus, MD; Ceres P. Canto, MD and Kim Martin G. Tolentino, MD. Other doctors who attended to the patient pre- and post-operatively: Ma. Lourdes S. Martinez, MD; Marcus Lester R. Suntay, MD; Alvin C. Florentino, MD; Michael C. Wassmer, MD; Rozaida R. Villon, MD; Robert Dennis J. Garcia, MD.

In the same month, an 11-year-old boy with a complete heart block became the youngest-ever recipient of a cardiac pacemaker at MMC. The procedure was done by Anthony B. King, MD with Abelardo Alan M. Prodigalidad, MD as the Anesthesiologist and Aurelia G. Leus as the Cardiologist.



New Appointments from the Office of the Medical Director

The following were appointed to key posts in various hospital Units, Centers and Committees in 2022:

- Joaquin Emilio G. Jison, MD
Head, Cardiac Catheterization Laboratory
January 27, 2022 to January 26, 2025
- Anthony Dexter G. Griño, MD
Head, Urogynecology & Incontinence
January 27, 2022 to January 26, 2025
- Frederick H. Verano, MD
Head, MakatiMed Care Access (Araneta City)
February 16, 2022 to February 15, 2024
- Maria Claudia G. Alcancia, MD
Head, Medical ICU
June 01, 2022 to May 31, 2023
- Marion Priscilla A. Kwek, MD
Head, Center for Tropical and Travel Medicine
June 07, 2022 to June 8, 2023
- May H. Ortiz-Sison, MD
Head, Diabetes and Weight Wellness Clinic
June 01, 2022 to May 31, 2025
- Jose Paulo P. Lorenzo, MD
Officer-In-Charge, Allied and Interdisciplinary Medicine
October 13, 2022 to July 31, 2024
- Regina E. Dy, MD
Chief, Section of Medical Oncology
October 6, 2022 to July 31, 2024
- Mary Ann A. Adapon, MD
Chairman, Mother-Baby Friendly Hospital Initiative
December 14, 2022 to August 31, 2023
- Rosario Soledad C. Neri, MD
Professional Clinical Coordinator
March 01, 2022 to February 28, 2024

Report of the Medical Director

ENHANCEMENT AND UPGRADE OF PROFESSIONAL SERVICES AND PROGRAMS

Many new and innovative programs and services were launched by the different Departments and Diagnostic Centers in 2022. A few of these services are enumerated hereon:

Makati Medical Center Care Access Araneta

MMC marked its first huge offsite care access facility - the MMC Care Access in Manhattan Gardens, Araneta City. This was opened to the public on April 1, 2022, – with its lineup of clinic consultations, diagnostic imaging services, health screening services, and renal services.

Cardiovascular Diagnostic Laboratory

On January 17, 2022, the Heart Station began to offer 2D echo with 3D LV function. In November 2022, the MMC Heart Station was equipped with the Cardiovascular Information System (CVIS) through GE's Viewpoint 6 which is a software platform with full archiving functionality through an on-site server. Intended to improve patient safety, provide utmost convenience to both echocardiographers and cardiologists who would then have immediate remote access to echocardiographic studies, the platform would also significantly improve the turnaround time of echocardiographic studies performed at the Heart Station.

Pediatric Emergency Medicine

In September 2022, the Department of Pediatrics and Department of Emergency Medicine (ED) of Makati Medical Center collaborated to further upgrade the services of the ED through a new Pediatric Emergency Room designed to address the specialized needs of infants, children and adolescents. With three certified Pediatric Emergency Medicine Specialists designated at the ED, the Pediatric Emergency Room became the only hospital Pediatrics ED Section fully manned by

Fellows of the Pediatric Society of Pediatric Emergency Medicine (PSPeM) and Pediatric Advanced Life Support (PALS) instructors.

Cancer Center

In September 2022, the Second Opinion Program of MMC with UC Davis Comprehensive Cancer Center was launched - thus enabling both patients and physicians to collaborate with UC Davis-based specialists on further diagnostic and therapeutic approaches in the comfort of their clinics or homes in the country.

Nutrition & Dietetics

Nutrition and Dietetics launched Indirect Calorimetry for Calorie Requirement on December 21, 2022. It was intended for determination for both in and outpatients use as well as the inclusion of its utilization in Outpatient Centers new nutrition packages (Oncology Nutrition Package and Liver Nutrition Package)

MakatiMed Wellness Center

In January 31 2022, MWC started to offer Platelet Rich Plasma treatment, a platelet rich concentrate with a higher-than-baseline levels of platelets when compared with whole blood. This is known to be a rich source of growth factors and cytokines that promote regeneration and rejuvenation, and is reported to decrease pain and improve patient function.

Vascular and Lymphedema Center

Deep vein thrombosis (DVT) screening - a shorter and less costly version of venous duplex scan done for rapid diagnosis of DVT of the lower extremities (offered on January 8, 2022)

Pathology and Laboratory

Fecal Calprotectin: test to monitor individuals with inflammatory bowel disease, e.g., Crohn's disease, ulcerative colitis, and distinguish from irritable bowel syndrome (offered on April 25, 2022)

Center for Regenerative Medicine

The center offered Non-invasive Prenatal Testing on July 15, 2022 (a new and highly accurate prenatal screening which can usually be performed as early as 10 weeks of gestation). This test analyzes fetal DNA in maternal blood for potential fetal chromosomal abnormalities for a simple blood extraction.

Breast Clinic

Section of Breast Clinic offered its new service - Contrast Enhanced Mammography - on July 18, 2022

Dermatology and Phototherapy

February 2022: Excimer Phototherapy (localized narrowband UVB light treatment for the following skin conditions – vitiligo, psoriasis, alopecia areata, mycosis fungoides, atopic dermatitis.)

June 10, 2022: Contact Allergy Test /Skin Patch Test – a standard procedure for diagnosis of Allergic Contact Dermatitis resulting from a type IV hypersensitivity reaction to a hapten (capable of causing contact allergy/dermatitis). The test pinpoints the chemical substance the patient is allergic to.

July 11, 2022: Fractional Laser Resurfacing (Non-ablative Q-switched Laser System) - for pigmentation and textural problems, such as melasma, acne scars, fine lines, dilated pores, post inflammatory pigmentation, etc.

Eye Care Center

Intravitreal injection for Retinal diseases was offered on May 5, 2022

Selective Laser Trabeculoplasty for patients with Primary Open Angle glaucoma (offered on August 9, 2022)

Nuclear Medicine

1. Cardiac Amyloidosis Imaging – Detection of amyloid fibers in the heart. Effective January 10.

2. Midnight Salivary Cortisol – Diagnosis of Cushing's syndrome using saliva. Effective June 27.
3. Parathyroid Subtraction Imaging – Parathyroid adenoma detection. Effective July 11.
4. Diuretic MAG 3 Renal Imaging – Evaluation of hydronephrosis and UPJ obstruction. Effective July 11.
5. GFR In-Vitro Imaging – Accurate determination of split and total renal function. Effective July 11.
6. V/Q RT-PCR Package – Detection of pulmonary embolism. Effective July 11.
7. Anti-GAD – Detection of auto-antibodies in DM Type I and in Latent Autoimmune Diabetes in Adult (LADA). Effective October 26.

COMMUNITY SOCIAL RESPONSIBILITY

The Office of the Medical Director continued to support and assist various programs that embodied service to the community - as part of its community social responsibility (CSR) and advocacy commitment.

To date, the program implementation of the COVID-19 Vaccine Task Force remains its most socially relevant thrust. The MMC COVID-19 Vaccine Task Force held its Culminating Activity on October 14, 2022 after a total of 201 days of vaccination from March 5, 2021 to October 14, 2022.

COVID-19 VACCINE DOSES ADMINISTERED	
PRIMARY BOOSTER	Number of Doses
ADULT	
Total 1st doses	19,965
Total 2nd doses	19,411
Total 1st Booster doses	15,483
Total 2nd Booster doses	4,725
PEDIA	
Total 1st doses	5,544
Total 2nd doses	5,537
Grand Total	70,665
Total Minor Adverse Events: 926 cases Total Serious Adverse Events: 345 cases	

Report of the Medical Director



MMC COVID-19 Vaccination Program

Total Duration of Vaccination	194 days
Total doses administered	69,909
Adult Primary Series	Sinovac, Astra Zeneca, Pfizer and Moderna
Pediatric Primary Series	Pfizer

Other CSR programs necessarily include the range of medical and surgical services offered by the Health Services Program (HSP) which is a cornerstone of continuing community service by MMC doctors and trainees. The community outreach program through the Order of Malta collaboration, an initiative of the Department of Otorhinolaryngology, is another avenue for socio-civic involvement.

Additionally, through the coordination with the Division of Medical Education and Research, various medical and surgical missions spearheaded by MMC physicians and the MMC Foundation were able to serve distressed communities wanting of clinical care in 2022.

- **April 10, 2022** – In-house surgical mission led by the Surgery Department in partnership with other organizations
- **June 25, 2022** – surgical mission in Our Lady of Peace Hospital in Paranaque led by the Surgery Department in partnership with other organizations
- **October 1, 2022** – medical mission in Pakil, Laguna led by the MMC Foundation

- **Nov 27, 2022** – In-house surgical mission led by the Surgery Department in partnership with other organizations

COVID-19 STATUS UPDATE

The COVID-19 situation continued to improve towards the end of 2022. In December, there had been no massive influx of COVID-19 cases in the Emergency Department. The month of December posted the lowest number (109) of healthcare workers infected with COVID-19 in the last five months. Majority of the cases were mild and only required home isolation. Only two wings (8th Wing and 7th Circular) were allocated for COVID-19 with daily occupancy of between 35-50%. All therapeutics, equipment and supplies remained sufficient.

Overall, the COVID-19 situation remained very manageable in MMC at this time.

Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA
MEDICAL DIRECTOR

Report of the Medical Director

BOARD OF DIRECTORS



MANUEL V. PANGILINAN
Chairman / Director



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President & CEO



DIANA P. AGUILAR
Director



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Director



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ALIPIO S. ABAD, JR., MD



VICENTE Q. ARGUELLES, MD



ROBERTO K. MACASAET, MD



JOHN VINCENT G. PASTORES, MD

CORPORATE GOVERNANCE REPORT

Makati Medical Center (MMC), in 2021, adopted the culture of quality, safety and compliance. 2022 ushered strengthening the culture of compliance and corporate governance hospital wide.

In the Organizational meeting of the Board last 23rd of September 2022, the members of the Corporate Governance and Compliance Committee were named as follows:

Chairman:	Francisco A. Dizon
Member:	Manuel V. Pangilinan
Member:	Conrado Gabriel C. Lorenzo III, MD
Member:	Judy A. Roxas
Member:	Ma. Susana A. S. Madrigal
Member (non Voting):	Atty. German Q. Lichauco II
Resource Person:	Milagros D. Uy, MD

The Corporate Governance and Compliance Committee of the Board met in March, April and May and initiated the creation / review of the Committee Charters: Board Charter and Corporate Governance and Compliance Committee Charter (approved by MDI Board in March 2022); Audit and Risk Committee Charter (approved by MDI Board in May 2022) and Ethics Committee and Nomination and Election Committee Charters (approved by MDI Board in July 2022). The Code of Business Conduct and Ethics was reviewed by the Committee and submitted to the Board for approval in June 2022, ensuring the relevance and consistency of the document to MMC’s Culture of Compliance and Ethics. The Committee approved in June 2022 the Annual Corporate Governance Report and was submitted to SEC in June 30, 2022.

In the spirit of continuous improvement of the Board’s and the members’ performance, the Performance of the Board policy and its related forms were approved by the Board in August 2022. The Performance Evaluation Forms [(a) MDI Chairman of the Board Self-Assessment; (b) President & CEO Performance Evaluation by the Board; (c) Corporate Secretary Performance Evaluation by the Board; (d) Compliance Officer Performance Evaluation by the Members of the Corporate Governance & Compliance Committee; (e) Audit and Risk Committee Self-Assessment; (f) Corporate Governance and Compliance Committee Self-Assessment; (g) Ethics Committee Self-Assessment; (h) Nomination and Election Committee Self-Assessment; (i) Individual Performance by the Members of the Board Self-Assessment; (j) Shareholders Assessment of the MDI Board of Directors] were disseminated to appropriate members of the Board and results forwarded to those concerned. The Shareholders’ Performance Evaluation of the Board Form was shared with the stockholders in July 19 to 25. There were 77 respondents and overall satisfaction was 4.46 (in a scale of 1-dissatisfied to 5-very satisfied).

To enhance the awareness and compliance to Corporate Governance Anti-bribery, Anti-corruption Policies, a video training on Corporate Governance for the employees, and another for medical staff were created in February 2022 and incorporated in the onboarding of New Employees’ / Trainees’ Orientation (NEO) and in the Safety Skills Essential (SSE) refresher course of all employees and medical staff. A video on related matters was created for the vendors of Makati Medical Center. A compliance quiz show was conducted for all employees, trainees, and medical staff in April 2022. A lobby exhibit featuring corporate governance ABAC policies was done in May 2022. A Compliance Handbook in digital form was disseminated to all employees in July 2022. For a clearer process of solicitation, sponsorship and grant, a guideline was established and approved in October 2022. Letters were sent to all vendors and contracted services regarding “Non-acceptance of gifts from MMC Service Providers / Contractors” especially in the upcoming Christmas season.

As of year-end 2022:

- Corporate Governance policies roll-out was at 100% for Directors, Officers and Employees, 100% for vendors and 89% for medical staff.
- A total of 236 gifts (165), donations (25), sponsorships (45), and grants (1) registry forms were processed.

There was NO whistleblowing report processed in 2022.

MMC embarked on the journey towards a Culture of Compliance in 2021. The journey continues as we review and strengthen our processes and embed compliance and ethical practice in the professional lives of all MMC employees, trainees and medical staff led by the MDI Board and its Leadership.

SENIOR OPERATIONS MANAGEMENT COUNCIL

CORPORATE GROUP



ATTY. PILAR NENUCA P. ALMIRA
President & CEO



MA. FLEURDELIZ C. ATIENZA
Procurement, Department Manager



BITA A. SIGARI
Human Resources Management
& Development, Division Head



ARLYN L. SONGCO, MMHoA
Creative, Communications & Sales
Services, Division Head



EDA BERNADETTE P. BODEGON, RN MAN
Nursing & Patient Care Services,
Division Head & Chief Nursing Officer



ENGR. GERRY E. CUNANAN
Facilities Management &
Engineering, Division Head



SATURNINO P. JAVIER, MD,
FPCP, FPCC, FACC, MMHoA
Medical Director



MA. ROSARIO P. MARIN, MD,
MMHoA
Division of Medical Education
& Research, Director



JOHN VINCENT G.
PASTORES, MD
Medical Services, Director



REYNALDO J. LIM
Service Operations,
Division Head



ARNOLD C. OCAMPO, MMHoA
Finance, Division Head & Chief
Finance Officer



ARTEMIO C. SALVADOR,
MD, MMHoA
Quality Management,
Division Head



NOEL L. ROSAS, MD, MMHoA
Professional Services, Director



MARY MILAGROS D. UY, MD
Hospital Compliance, License
& Accreditation, Director

Not in photo:

ISIDRO M. PERFECTO
Information &
Communications Technology,
Officer-in-Charge

MARICHU L. CATAN, MD
Business Development,
Consultant



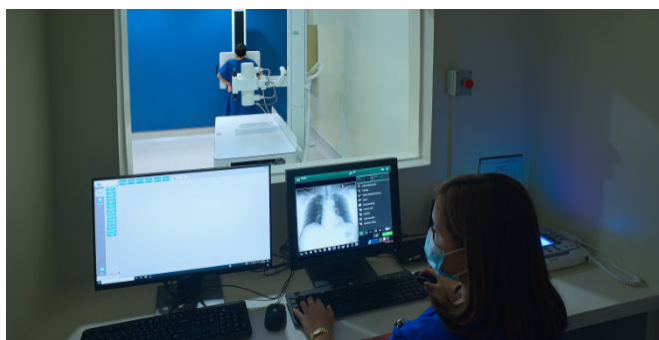
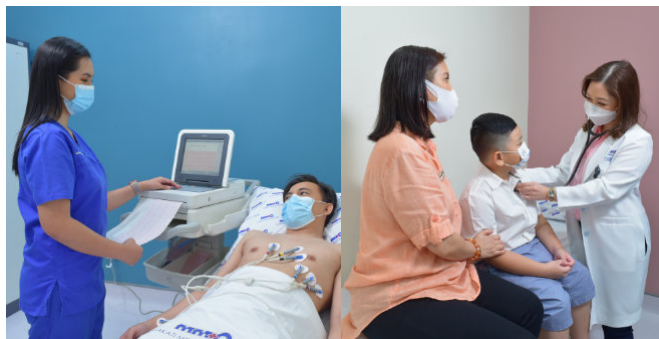
Transforming &
Advancing Medical Care

A. Makati Medical Center Care Access, Araneta City

Makati Medical Center opened a new outpatient care center, the Makati Medical Center Care Access Araneta City. The center is located on the ground floor of Manhattan Plaza Tower 1 at General Romulo Avenue in Araneta City, Quezon City, and is open Monday to Saturday from 7AM to 5PM.

This is the first satellite medical facility that the hospital has opened outside of Makati City, and it will

allow more communities to benefit from quality healthcare. The center offers a range of services, including outpatient consultations for Internal Medicine, Nephrology, Pulmonology, Cardiology, and Obstetrics and Gynecology. It also provides state-of-the-science diagnostic services such as Ultrasound, X-ray, Mammogram, ECG, and 2D-Echo. A key service of the center is Hemodialysis with the latest hemodialysis machines, which can serve up to 15 patients at a time with two (2) private rooms.



Transforming & Advancing Medical Care

Makati Medical Center • Medical Doctors, Inc

B. First Clinical Research Week

The MakatiMed Clinical Research Center (CRC) recently held its inaugural Clinical Research Week from May 16-20 in commemoration of International Clinical Trials Day, celebrated annually on May 20 worldwide.

The week-long event was inaugurated through a lobby exhibit showcasing the CRC's services, which also featured the recipient of the 2022 Annual MMC Fellows' Scientific Research Presentation.

The week commenced with a virtual recognition ceremony honoring MakatiMed's research collaborators. The event, which affirms MakatiMed's unwavering commitment to ethical and quality research, was opened by the Medical Director, Saturnino P. Javier, MD.

The ceremony recognized the Study Sponsors, Contract Research Organizations, and Study Investigators who successfully conducted and completed their clinical trials at Makati Medical Center from 2013 onwards. MakatiMed President and CEO, Atty. Pilar Nenuca P. Almira expressed her appreciation and delivered an inspiring message to pursue future research collaborations.

2022 Annual MMC Fellows' Scientific Research Paper

Virtual Presentation Winner

Awarded by the MakatiMed Division of Medical Education & Research

Title
The Association Between Serum 25-Hydroxyvitamin D and Glycemic Control in Patients with Diabetes Mellitus: A Single-Center Retrospective Study

Authors
Mariel C. Enverga, MD
Maria Jocelyn C. Isidro, MD
Nerissa S. Ang-Golanco, MD
Section of Endocrinology, Diabetes and Metabolism
Department of Internal Medicine
Makati Medical Center

Introduction and Rationale
Several studies suggest that Vitamin D has evolved into an emerging interest in managing diabetes mellitus. It has a role in insulin secretion and signaling and systemic inflammation, which can influence the pathogenesis of diabetes and its associated metabolic disorders.

Objective
To determine the association between serum 25-Hydroxyvitamin D (25(OH)D) and measures of glycemic control, hemoglobin A1c (HbA1c), and Fasting Plasma Glucose (FPG), in adult patients with diabetes mellitus.

Study Design
Analytical cross-sectional study of 270 adult patients with diabetes mellitus.

Conclusion
This study revealed a high prevalence (90%) of Hypovitaminosis D among patients with diabetes mellitus, particularly those with poor glycemic control. With the effect of Vitamin D in the pathogenesis of diabetes and its associated metabolic disorders, the role of determining the Vitamin D status and its supplementation, if necessary, may be a potential adjunctive treatment in the management of diabetes but further investigation is needed.


MAKATI MEDICAL CENTER

Clinical Research

Physicians in Makati Medical Center are dedicated to finding innovative ways to prevent and treat diseases. These most efforts include a form of clinical research called **Clinical Trials**.

Clinical Trials are studies on humans which are carried out to evaluate health-related interventions. These are regulated by the Philippine Food and Drug Administration (FDA) and designed by one (1) or a combination of the following:

- Pharmaceutical Companies
- Academic Institutions
- Government Research Agencies
- Private Institutions or Hospitals

Clinical Trials are at the heart of all advances and breakthroughs in healthcare.

Principal Investigator
The Doctor in charge of a Clinical Trial is called the **Principal Investigator**. The Principal Investigator executes a detailed plan for the trial, also known as the "protocol".

Makati Medical Center Institutional Review Board (MMC IRB)
All studies on human subjects are reviewed by an ethics committee. The **Makati Medical Center Institutional Review Board (MMC IRB)** is an independent body under the Office of the Medical Director which conducts ethical review of research studies involving human subjects. The MMC IRB is a Level III Ethics Research Committee accredited by the Philippine Health Research Ethics Board (PHREB). Its responsibilities are to ensure the protection of the rights, safety, and well-being of the human subjects and to provide public assurance of that protection.


MAKATI MEDICAL CENTER

MakatiMed Clinical Research Center

Established in 2014, the **MakatiMed Clinical Research Center (CRC)** aims to help study investigators and sponsors translate their clinical trial protocols into successful studies.

The MakatiMed CRC is under the Division of Medical Education and Research. Aside from its role in Research Education, it offers the following support services for the planning and execution of clinical trials in Makati Medical Center:

- Feasibility Study
- Referral for Study Grant/Sponsorship
- Resource Planning
- Budget Development
- Document and Contract Management
- Support for Site Initiation, First-Patient, and Monitoring Visits

Pathway to Starting a Clinical Trial at MMC

1. Contact CRC
2. MMC IRB Submission, Review, and Approval
3. Research Planning and Budget Discussion
4. Clinical Trial Agreement (CTA) or Contract Recommendation
5. CRC Compliance, Registration and Sanctioned


MakatiMed Clinical Research Center

1st Floor, Tower 1
+63 2 8888 8999 local 7179
ClinicalResearchCenter@makatimed.net.ph
www.makatimed.net.ph

Clinical Trials in MMC

MakatiMed CRC may connect the study team to the specialized centers within MakatiMed which can serve as clinical trial hubs.

Cancer Center
The MakatiMed Cancer Center offers comprehensive services for oncology trials such as chemotherapy preparation and administration, and research nursing service (ISCP-Certified Nurses). Consultation rooms and research room with storage facilities, coordinator workstations, and a monitoring area are also available.

Center for Regenerative Medicine
The Center for Regenerative Medicine is a state-of-the-science center for trials in cell therapies. The Center has partnered autologous cell-based therapies for various conditions and is one of the few Centers accredited by the Department of Health. It is equipped with International Organization for Standardization (ISO) Class 100 Clean Room Laboratory to manufacture clinical-grade cellular products. All cultured products are continuously validated through in-house assessments of cell identity and purity using magnetic-activated cell sorting (MACS) to isolate the cell of interest, flow cytometry, and gene expression analysis.

The Center for Regenerative Medicine also has services and facilities for non-oncology trials such as drug administration including infusion, research nursing services, consultation rooms, biological sample processing and storage.

Diabetes Care Center
The Diabetes Care Center has the services and facilities for diabetes trials, such as insulin administration, research nursing services, nutrition counseling, and consultation rooms.

Liver Unit
Starting 2022, the Liver Unit will be a site for several international, multi-center clinical trials for chronic hepatitis B, hepatocellular carcinoma, and fatty liver disease. These aim to build and promote the Liver Unit's reputation in liver disease research here and abroad. In addition, our patients can access new and innovative therapies through these clinical trials.

MMC HealthHub
The MMC HealthHub has services and facilities for clinical trials such as drug administration, nursing services, consultation rooms, and private rooms for admission.

Volunteering for Clinical Trials

Volunteers are an integral part of the Clinical Trial process. Healthy people, as well as those with a particular disease, play a vital role in the discovery of diagnostic and treatment modalities which pave the way to medical advances.

Taking part in Clinical Trials as Volunteers adds significant information about the management of known and emerging new diseases and helps develop practice guidelines for future patients.

Why Volunteer for a Clinical Trial?

- To contribute to the advancement of science, particularly healthcare
- To make a difference in the care of future patients
- To receive the newest available medical management for a particular condition
- To pursue personal interest in science and the field of medicine

Several Clinical Trials are being conducted at Makati Medical Center which boasts of top-notch facilities and specialists. Currently, there are on-going trials in the fields of:

- Cardiology
- Hematology
- Infectious Disease
- Oncology
- Psychiatry
- Pneumology
- Urology

Would You Like to Volunteer?
Contact the MakatiMed Clinical Research Center

1st Floor, Tower 1
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MAKATI MEDICAL CENTER

Transforming & Advancing Medical Care

Reimagining the Future of Patient Care • Annual Report 2022

A virtual research symposium titled "Clinical Research: Basics and Beyond" was held on May 18th. The educational program included presentations on "Basics of Clinical Research" by Anna Guia O. Limpoco, MD, "Opportunities for Clinical Research" by Jennifer M. Nailes, MD, and "Clinical Research in the Time of COVID" by Enrique A. Tayag, MD.

C. New and Improved Dermatology & Phototherapy Center

On June 8, the Makati Medical Center Department of Dermatology inaugurated its newly renovated Dermatology & Phototherapy Center, located at the 2nd floor of Tower 2. The facility was created to enhance the existing dermatological services and to provide new ones such as the Phototherapy Excimer and Contact Allergy tests.

The opening of this new facility was deemed a significant achievement in MakatiMed's mission to offer exceptional healthcare services to its patients.



D. International Forum on Quality and Safety in Healthcare

The 2022 International Forum held in Sydney, Australia from July 24 to 26 was themed "New Horizons: Quality Improvement Shaping the Future." The conference covered various topics, including the rapid transformation of the healthcare system brought about by the pandemic, the growing role of patients in improving the quality of care, and health equity. The sessions provided valuable insights on the healthcare system beyond the hospital setting, as well as lessons in leadership.

Makati Medical Center (MMC) was invited to showcase two (2) of its practices through the display of ePosters via the International Forum's on-site and online platforms. The organizers invited participants from around the world to submit abstracts on seven (7) topics, including Safety, Quality, Cost, Value, Person and Family-Centered Care, Population and Public Health, Building Capacity and Leadership, Improvement Methods, and Integrated Care. MMC submitted abstracts under the categories of Safety and Improvement Methods.

Projects under Safety aimed to limit the harm caused by medical errors through advances in technology, process, and human factors training. The hospital's ePoster under this category is entitled "Managing Medical Device Recalls to Reduce the Risk of Patient Harm." It described the hospital's medical device recall process carried out by involved departments and monitored by the Medical Device Safety and Risk Management Committee.

Those under Improvement Methods concentrated on how underlying methodologies and frameworks of quality improvement strategies are analyzed, aiding in successful implementation. The Hospital Compliance, License, and Accreditation Division (HCLAD) shared their ePoster under this category



entitled "Impact of Designing a Simplified Proactive Tracker on the Timeliness of Distribution of Internal Quality Survey Reports." The poster explained how the development of an automated tool facilitated the distribution of reports of non-conformance, allowing for immediate action to be taken.

MMC's participation in this event demonstrated its commitment to continuously improve its internal processes and providing the highest quality of care. It also recognized MMC's efforts in upholding its values of Service Excellence and

Teamwork through the multidisciplinary effort and coordination achieved in implementing these quality improvement strategies.

E. Leadership Enhancement, Advancement, and Development Program (LEAD)

The Nursing Education Research and Development (NERD) of the Nursing and Patient Care Services Division launched a six-week program entitled "Leadership Enhancement, Advancement, and Development" Program (LEAD) intended to orient new nurse managers and individuals who are part of the succession



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plan with the concepts and skills of clinical leadership and management.

The learning program also served as a refresher for the division's other nurse leaders. It included divisional updates, the introduction of transformational leadership principles, and discussions of best leadership and management strategies to boost healthcare professionals' confidence in demonstrating effective and efficient leadership skills.

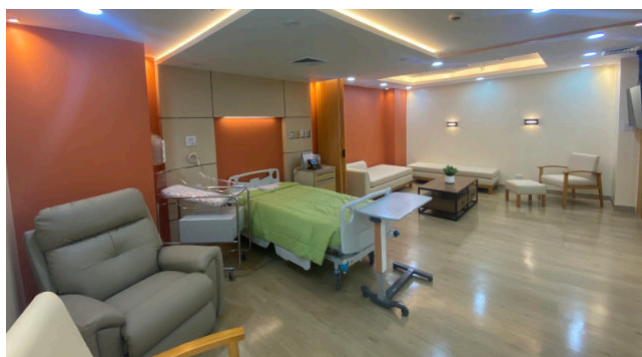
Nurse Leaders were expected to demonstrate skills in leadership & management concept applications, financial & operational excellence, strategic human resource management, service excellence, quality and standards in leadership, workforce management, personal & professional development, change & conflict management, and effective coaching & feedback.

The program produced 80 competent leaders between July - October 2022.

F. MMC Maternity Floor New and Improved Patient Rooms

On August 12, the Department of Obstetrics and Gynecology (OB-GYN) conducted a formal blessing ceremony for the newly renovated and modernized rooms at the 5th floor Maternity Wing of Tower 1. The event was led by Martin P. Manahan, MD, a distinguished OB-Gynecologist and nephew of MMC's co-founder Dr. Constantino P. Manahan, after whom the hospital's delivery pavilion is named.

MMC's Medical Director, Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA, emphasized that MMC is committed to improving patient care by enhancing and expanding its facilities in every possible way. This event highlights MMC's dedication to delivering top-quality healthcare services to its patients through state-of-the-science facilities and compassionate staff.



G. Youngest Open Heart Surgery Milestone

The Department of Pediatrics achieved a new milestone last September when they discharged their youngest patient to undergo successful open heart surgery. KK, a miracle baby born prematurely at 35 weeks, was under the care of neonatologist Ma. Lourdes S. Martinez, MD in 2021. After birth, KK was diagnosed with duodenal atresia, an intestinal obstruction, and a serious cyanotic heart disease, double-outlet right ventricle with pulmonary valve atresia.

Under the guidance of pediatric surgeon Marcus Lester R. Suntay, MD, KK underwent abdominal surgery to relieve the intestinal obstruction, followed by a PDA stent placement to address his heart condition.

After over a month of hospitalization, KK underwent open heart surgery in August at 9

months of age. The procedure, a bidirectional bilateral Glenn shunt, was the first of its kind at MakatiMed.

The team of MakatiMed's pediatric thoracic and cardiovascular surgeon Carlo Martin H. Garcia, MD, pediatric cardiovascular anesthesiologist Abelardo Alan P. Prodigalidad, MD, and pediatric cardiologists, headed by Dexter Eugene D. Cheng, MD, and supported by Aurelia G. Leus, MD, Ceres P. Canto, MD, and Kim Martin G. Tolentino, MD, carefully monitored KK's post-operative recovery period. He was admitted to the Pediatric ICU, where pediatric intensivists Alvin C. Florentino, MD and Michael C. Wassmer, MD, pediatric pulmonologist Rozaida R. Villon, MD, and pediatric infectious disease specialist Robert Dennis J. Garcia, MD, managed his care.

With careful preparation, collaboration, and coordinated management of MakatiMed's experts, KK was successfully extubated, taken off various support medical equipment, and weaned off intravenous drips. KK, who was a blue baby pre-operatively, can now lead a more active physical life until he undergoes his 2nd open heart surgery before turning 5 years old. The successful outcome and improved quality of life for KK were achieved

through the expertise of MakatiMed's medical professionals in all aspects of his operative and post-operative care.

H. Graduate Studies Assistance Program (GSAP)

The Nursing and Patient Care Services Division with the support of the Makati Medical Center President & CEO Atty. Pilar Nenuca P. Almira granted 100% scholarship to forty-three (43) qualified nursing leaders through the Graduate Studies Assistance Program (GSAP). The program is in close partnership with St Paul University Manila (MSN degree) and University of Makati (MAN degree).

The goal of the program is to enhance skills and knowledge, improve performance, and open opportunities in career advancement of MMC nurses, increasing employee satisfaction and retention rates and promote organizational development.

I. Programs for Newly Hired Nurses

As part of the advancement of MMC Nurses, several programs were continuously implemented to address the competency gap of new hired nurses in performing their role at the clinical bedside based on the institutional practice standards. A total of 897 nurses were trained for 2022.

Among these programs are:

- **Nurse Residency Probationary Program (NRPP)** - The modified NRPP is designed to assist newly graduated nurses in their transition from the academic setting to professional nursing practice. It includes a combination of classroom instruction, simulation-based training, and clinical experiences, with the ultimate goal of a smooth transition for new nurses into their professional role, reducing turnover rates, and improving



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patient outcomes by ensuring that new nurses have the necessary skills and knowledge to provide safe and effective patient care. NRPP was launched in 2014. A total of eight hundred six (806) new nurses were trained from thirty-six batches.

- **Clinical Efficiency Nursing Assistants (CENAP)** - Launched in June 2020, CENAP is designed to reinforce competencies of BSN graduates for their future role as a Registered Nurse. The program utilizes blended learning approach with simulations and clinical hands-on experience in adult health, maternal and child health, and geriatric health nursing. It equips the participants to collect data related to a patient's physical and mental functions, demonstrate effective therapeutic communication, provide thorough reporting and recording, prioritize and care for multiple clients with a variety of disorders, perform technical nursing skills, and understand the importance of maintaining privacy and confidentiality. A total of 54 nurses participated in the program.
- **Nursing Competency Workshop (NCW) Bridging Program** - As part of the transition into practice and becoming a capable nurse, the Nursing Education Research and Development team continues its bridging program for all nursing staff who just passed the Nursing Licensure Examination (NLE). This program was launched in July 2021. For 2022, all 37 nurses who participated in the bridging program passed the NLE.

J. Continuing Nursing Education (CNE)

Continuing Nursing Education (CNE) is an essential component to the professional development of nurses. It helps them to stay up to date with the latest developments in the field, improve their knowledge and skills, and enhance their ability to provide quality patient care.

The following are some NCPSPD-organized programs applied for continuing professional development nursing credits by the Professional Regulatory Commission launched from January 18-December 29, 2022:

Program Title	Accreditation No.	Participants
NURTURE: Nursing Research Fellowship Program – Workshop for SEEKERS	NRS-2015-105-2432	37
MMU Intravenous Therapy Update: IVT for Special Patient Population: Neonatal, Pediatrics, Pregnant and Older Adults	NRS-2015-105-2048	87
MAKATI MEDICAL CENTER Nursing Conference: Nursing Innovations & Excellence through Evidence-Based Practice	NRS-2015-105-2070	136
Continuous Renal Replacement Therapy Nursing Training Program	NRS-2015-105-2085	33
Peritoneal Dialysis Program- June	NRS-2015-105-2122	12
Oncology Course 2: Advanced Chemotherapy Infusion Program	NRS-2015-105-2340	25
MMU Infusion Therapy Update "Trends and Innovation in Infusion Therapies Part 1"	NRS-2015-105-2344	112
Oncology Course 1: Basic Chemotherapy Infusion Program	NRS-2015-105-2375	25
Fundamentals of Pediatric Oncology Training Program – July	NRS-2015-105-2468	29
Fundamentals of Pediatric Oncology Training Program – July	NRS-2015-105-2470	14
HEMOPERFUSION: An Adjunct Treatment for Hemodialysis and Critically ill Patients	NRS-2015-105-2504	380

Program Title	Accreditation No.	Participants
MMU Intravenous Therapy Update "Trends and Innovation in Infusion Therapies Part 2"	NRS-2015-105-2561	105
Peritoneal Dialysis Program - August	NRS-2015-105-2588	13
Nursing Leadership Workout	NRS-2015-105-2633	67
Nurse Residency Probationary Program Core - August	NRS-2015-105-2658	25
Advanced Chemotherapy Infusion Program	NRS-2015-105-2690	21
Get Connected: The Power of Effective Communication in the Workplace	NRS-2015-105-2784	202
World Patient Safety Day 2022: Medication Without Harm	NRS-2015-105-2923	392
Online PDN Clinical Enhancement Program	NRS-2015-105-3004	46
Nurse Residency Probationary Program-Core	NRS-2015-105-2940	30
Vascular Access Device Care and Management in Cancer	NRS-2015-105-3006	14
ORganizED: Standardized Emergency Response to Trauma Surgery	NRS-2015-105-3254	420
MMU Intravenous Therapy Update "Patient and Clinician Safety in IVT"	NRS-2015-105-3198	98
Nurse Residency Probationary Program (NRPP) Core	NRS-2015-105-3197	30
Nurse Residency Probationary Program (NRPP) Core	NRS-2015-105-3200	32
MMU Infusion Therapy Update " High Alert Medication and Patient Safety"	NRS-2015-105-3231	95
Basic Electrocardiogram (ECG) Reading & Interpretation Program	NRS-2015-105-3318	20
Nurse Residency Probationary Program-Core	NRS-2015-105-3317	28
Nurse Residency Probationary Program Core	NRS-2015-105-3425	34
Nurse Residency Probationary Program-Core	NRS-2015-105-3426	30
MMU Infusion Therapy Update "Best Practice Sharing in Identifying and Managing MARSi in IVT"	NRS-2015-105-3383	136

K. Nursing Research Towards Upbuilding Results (NURTURE) Program

The Nursing Education Research and Development launched its initiatives to begin the involvement of nurses in Evidence-Based Practice (EBP) and Research. The Nursing Research Towards Upbuilding Results (NURTURE) program showcases supportive strategy in training champions in conducting departmental research after completing a series of workshops.

The program aims to foster a Research-Friendly Environment across the Division in support of Evidence-Based Practice (EBP); strengthen MakatiMed Nurses' capability in conducting and integrating EBP projects and research to professionalize the nursing practice; support

departmental EBP Projects and Nursing Research from conceptualization, development, conduction, analysis, conclusion and dissemination of results; and showcase and creatively disseminate study outcomes thru presentations at national conferences, meetings, and publications.

Part of the program is the development of Nursing and Patient Care Services Nursing Research Agenda 2022- 2024:

- A. **Training & Professional Development** – aims to produce evidence on the impact of training to the transition and upskilling of nursing practice.
- B. **Nursing Leadership & Management** – aims to produce evidence on the influence of leadership and management to nurses and patient care, and to promote research studies that explore the

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roles of leaders in empowering and achievement of objectives.

- C. **Clinical Nursing** – aims to produce evidence towards safe, effective, efficient nursing, and patient care.
- D. **Well-being & Resilience** – aims to produce evidence geared towards promotion of self-care, mental wellness, adaptability, and resiliency in overcoming adversities.
- E. **Positive Workplace Environment** – aims to produce evidence that promotes positivity in the workplace and how it impacts employee engagement and retention.
- F. **Healthcare Informatics, Innovations, & Technology** – aims to produce evidence on the utilization of informatics in nursing care, and to promote the use of research as a tool to innovate with the use of technology.

A total of 11 studies were drafted and submitted for Ethics Review at the end of the year:

- A. Leadership Journey of Charge Nurses
- B. Lived experiences of preceptors and newly hired nurses on the preceptorship model towards transition to clinical practice and retention of novice nurses as a selected tertiary hospital Metro Manila
- C. Experiential Journey of Nurse in rooming-in hand over communication of Newborns: A Delphi Study
- D. Lived experience of registered nurses trained in a departmental-based orientation program during the COVID-19 pandemic
- E. Employee Engagement, Job Fulfillment, and Multigenerational Workforce Among Emergency Room Nurses
- F. Effective Health Education Methods and Health Confidence Level among Cancer Patients Post Chemotherapy in the 'New Normal'

- G. Exploring the nurses shift handovers among critical care units: A qualitative study
- H. Lived experiences of lactating healthcare professionals in the workplace: Maternal strategies and outcomes of breastfeeding support in a tertiary hospital in Manila
- I. Prevalence of Infiltration among Hemodialysis Access in a Kidney Unit: Basis for Creation of Nursing Guidelines
- J. Work Readiness of Nurses Hired in the year 2020-2021 in a Tertiary hospital in Metro Manila: Basis for development of a Transition Program
- K. Experiences of Registered Nurses During Pain Management of Postoperative Patients in a Selected Tertiary Hospital

MAKATI MEDICAL CENTER

NURTURE INITIATIVE
Nursing Research Towards Upbuilding Results

NURSING RESEARCH AGENDA
(2022-2024)

Staff Professional Development To produce evidence on the impact of training to the transition and upskilling of nursing practice.	Nursing Leadership & Management To produce evidence on the influence of leadership and management to the nurses and patient care. To promote research studies that explores the roles of leaders in empowering and achievement of objectives.
Clinical Nursing Practice To produce evidence towards safe, effective, efficient nursing and patient care.	Well-Being & Resilience To produce evidence geared towards promotion of self-care, mental wellness, adaptability, and resiliency in overcoming adversities.
Positive Workplace Environment To produce evidence that promotes positivity in the workplace and how it impacts employee engagement and retention.	Healthcare Informatics, Innovations & Technology To produce evidence on the utilization of informatics in nursing care. To promote the use of research as a tool to innovate with the use of technology.

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Recognitions & Partnerships

A. 2nd Annual Dr. Honorata G. Baylon Hematology Cup

Makati Medical Center's Hematology Quiz Bee team won the 2nd Annual Dr. Honorata G. Baylon Hematology Cup last April 19-20, defeating 56 other teams from different hospitals throughout the country. The Annual Quiz Bee was organized by the Philippine General Hospital.

The team was composed of the Department of Internal Medicine, Section of Hematology: Katrina Marie Mendoza, MD, Beryl Anne P. Tan, MD, and Shelley Lauren S. Cham, MD, with their coach Maria Regina Pelobello-De Leon, MD.



B. The Outstanding Thomasian Alumni (TOTAL) Award 2022: Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA - Medical Director

Medical Director, Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA was awarded The Outstanding Thomasian Alumni (TOTAL) Award in the Health Allied category for the year 2022 last May 14 at the Dr. Robert C. Sy Grand Ballroom, Thomasian Alumni Center, 2nd floor, Buenaventura Garcia Paredes, O.P. Building, UST, España, Manila.

This award is conferred upon individuals who exemplify the Thomasian core values in their respective field of expertise: competence in pioneering human endeavors, commitment to their profession and compassion for others, particularly the marginalized in society.

In the letter sent by UST's Rector, Very Rev. Fr. Richard G. Ang, O.P., PhD, Dr. Javier was chosen as the winner of this award for his "commitment to leadership, compassion for humanity, and endless strive for competent, high-quality service as has been acknowledged by the university as worthy of being conferred of this year's award."

The TOTAL Award is the highest honor bestowed by the University of Santo Tomas (UST) and the UST Alumni Association, Inc. (USTAAI) upon the Thomasian Alumni, in recognition of their significant and exemplary contribution to the society and the Church.



Recognitions & Partnerships

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C. 1st Physicians' Awards & Recognition Ceremonies

On June 29, Makati Medical Center held its first MMC Physicians' Awards & Recognition Ceremonies. It was created to honor the doctors who have been recognized in their respective fields both in and outside of the hospital, to give homage to the deceased doctors over the past year, and to recognize the doctors for their years of service.

Medical Director Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA expressed his gratitude to the management team for their continued support

to recognize the physicians who have excelled in their fields of practice. Dr. Javier also took this time to recognize the members of the MMC Awards and Recognitions Committee: Maria Rosario P. Marin, MD, Director of the Division of Medical Education & Research, Victor Gozali, MD, Chairman of the Credentialing and Privileging Committee, Noel L. Rosas, MD, Director of the Division of Professional Services, and John Vincent G. Pastores, MD, Director of the Division of Medical Services.

John Vincent G. Pastores, MD took the stage to honor the doctors who passed away in the fight

Krisidina Clare C. Dim-Jamora, MD Department of Dermatology - President, Philippine Academy of Cutaneous Surgery - Member, Board of Directors, Philippine Dermatological Society Dr. Adoracion M. Nambayan-Abad + Section of Cardiology, Department of Medicine - Distinguished Teacher Award, Philippine Heart Association Saturnino P. Javier, MD Section of Cardiology, Department of Medicine - Inspiring Leader, Metro Society - Distinguished Alumnus in the Field of Health and Community Service, Faculty of Pharmacy, University of Santo Tomas - Distinguished Alumnus Lecturer, Department of Internal Medicine, University of Santo Tomas - Outstanding Thomasian Alumni Award, University of Santo Tomas Raul L. Lapitan, MD Section of Cardiology, Department of Medicine - Chairman, Specialty Board in Adult Cardiology, Philippine Heart Association Carolyn N. Montano, MD Section of Endocrinology, Department of Medicine - President, Philippine College of Endocrinology, Diabetes and Metabolism Janice C. Caolili, MD Section of Infectious Diseases, Department of Medicine - Vice President, Philippine Society for Microbiology and Infectious Diseases - Recognition for the COVID-19 Health Expert Group, COVID-19 Laboratory Expert Panel, Department of Health - Recognition from Department of Health (DOH) for providing technical expertise to the DOH in the COVID-19 response Ma. Tarcela S. Gler, MD Section of Infectious Diseases, Department of Medicine - Recognition from Department of Health for providing technical expertise to the DOH in the COVID-19 response Joseph Adrian L. Buensalido, MD Section of Infectious Diseases, Department of Medicine - Board Member, Philippine Society for Microbiology and Infectious Diseases Marion Priscilla A. Kwek, MD Section of Infectious Diseases, Department of Medicine - Recognition from Department of Health for providing technical expertise to the DOH in the COVID-19 response D. Darwin A. Dasig, MD Section of Neurology, Department of Neurosciences - Board of Governors, Asian Society Against Dementia - President, Dementia Society of the Philippines - Permanent Member, Single Joint Research Ethics Board	Katerina Tanya P. Gosiengfiao, MD Section of Neurology, Department of Neurosciences - President, Philippine League Against Epilepsy Raquel M. Alvarez, MD Section of Neurology, Department of Neurosciences - Chairperson, Adult Neurology Specialty Board, Philippine Neurological Association Rosalina B. Espiritu-Picar, MD Section of Neurology, Department of Neurosciences - Member, Adult Specialty Neurology Board, Philippine Neurological Association Raquel M. Alvarez, MD Cymbeline P. Santiago, MD Anna Marie B. Sage-Nolido, MD Christine Anne C. Chacon, MD Section of Neurology, Department of Neurosciences 3rd Quarter 2021 Gold Award, World Stroke Organization 1st Quarter 2022 Gold Award, World Stroke Organization Luzviminda S. Katigbak, MD Section of Psychiatry, Department of Neurosciences - President, Philippine Psychiatric Association Edgardo Juan L. Tolentino, Jr., MD Section of Psychiatry, Department of Neurosciences - Member, Philippine Council for Mental Health Marie Rhiamar S. Gomez, MD Department of Nuclear Medicine - Auditor, Philippine Radiologic Society of Nuclear Medicine and Molecular Imaging - Member, Board of Examiners, Philippine Specialty Board of Nuclear Medicine Jose Eduardo S. Rondain, MD Department of Nuclear Medicine - President, Philippine Radiologic Society of Nuclear Medicine and Molecular Imaging Rhodora R. Del Rosario-Bustos, MD Department of Obstetrics & Gynecology - Auditor, Board of Trustees, Philippine Society of Ultrasound in Obstetrics and Gynecology Jennifer Marie B. Jose, MD Department of Obstetrics & Gynecology - President, Aesthetic Gynecologic Society of the Philippines Inc. - Secretary, Philippine Continence Society - Board Member, Asian Society of Gynecologic Robotic Surgery Rona P. Lapitan, MD Department of Obstetrics & Gynecology - Board Examiner, Philippine Society of Ultrasound in Obstetrics and Gynecology	Pacita S. Lazaro, MD Department of Obstetrics & Gynecology - Recognition as Mother of Modern Gynecologic Laparoscopy, 15th Annual Philippine Society for Gynecologic Endoscopy (PSGE) Congress and 1st Regional Meeting of European Society for Gynecologic Endoscopy (ESGE) and Asia-Pacific Association for Gynecologic Endoscopy and Minimally Invasive Therapy (APAGE) Eileen M. Manalo, MD Department of Obstetrics & Gynecology - Howard and Conchita Redmon Professorial Chair Award in Reproductive Health Services, UP Manila College of Medicine - Assistant Secretary General, International Federation of Fertility Societies (IFFS) - International Reviewer, BMC Women's Health Journal - International Editor and Reviewer, Bangladesh Journal of Fertility and Sterility - Member, Scientific Committee, International Federation of Fertility Societies Rebecca B. Singson, MD Department of Obstetrics & Gynecology - Founding Member and Honorary Secretary, Asian Society of Robotic Surgery Marcelino D. Banzon, MD Department of Ophthalmology - Outstanding Leadership Award, Philippine Academy of Ophthalmology - Distinguished Service Award, Philippine Academy of Ophthalmology Maria Donna D. Santiago, MD Department of Ophthalmology - Councilor, Philippine Academy of Ophthalmology Executive Council Sherman O. Valero, MD Department of Ophthalmology - Outstanding Leadership Award, Philippine Academy of Ophthalmology - Educator Award, Philippine Academy of Ophthalmology Marcelino T. Cadag, MD Department of Orthopedic Surgery - Member, Board of Trustees, Philippine Orthopedic Association Anne Kathleen B. Ganai-Antonio, MD Department of Orthopedic Surgery - Founding Member and Vice President, Philippine Society of Women Orthopedic Surgeons - Member, Board of Trustees, Philippine Orthopedic Association - Member, Board of Trustees, Philippine Spine Society Edward A. Sarrosa, MD Department of Orthopedic Surgery - Member, Board of Trustees, Philippine Board of Orthopedics	Marc Anthony L. Castro, MD Department of Orthopedic Surgery - Chief Medical Officer, Philippine Football League - Medical Officer, Asian Football Conference Carlo Angelo V. Borbon, MD Department of Orthopedic Surgery - President, Philippine Foot and Ankle Society - Council Member, Asian and Asia-Pacific Foot & Ankle Federations Marie Jeanne I. Bertol, MD Department of Orthopedic Surgery - Vice President, Philippine Musculoskeletal Tumor Society - Secretary, Philippine Society of Women Orthopedic Surgeons Inc. Victoria C. Sarmiento, MD Department of Otorhinolaryngology - Board of Director, Philippine Board of Otolaryngology - Head and Neck Surgery Maria Patricia Ann P. Prodigalidad, MD Department of Sleep Surgery - Chair, Philippine Academy of Sleep Surgery Susana P. Campos, MD Department of Pediatrics - Family of the Year Award, University of the Philippines Medical Alumni Society Enrique E. Campos, MD Section of Cardiology, Department of Medicine - Family of the Year Award, University of the Philippines Medical Alumni Society Sylvia C. Estrada, MD Department of Pediatrics - National Coordinator for Short Term Follow-Up Philippine Newborn Screening Program - Department of Health - Philippine Representative and Council Member, Asia Pacific Pediatric Endocrine Society - Member, Subspecialty Board, Philippine Society of Pediatric Metabolism and Endocrinology - Board of Trustees, Philippine Society of Pediatric Metabolism and Endocrinology - Secretary and Board Member, Philippine Society for Orphan Disorders Alvin C. Florentino, MD Department of Pediatrics - President, Society of the Pediatric Critical Care Medicine Philippines - Country Representative, World Federation of Pediatric Intensive and Critical Care Societies Maria Ronella T. Francisco-Mallari, MD Department of Pediatrics - Most Outstanding Component Medical Society, Makati Medical Society, Philippine Medical Association - Most Outstanding Leadership Award, Philippine Medical Association	Nephthalie R. Ordoñez, MD Department of Pediatrics - President, Philippine Academy of Pediatric Pulmonologist - Board of Council, Asian Pediatric Pulmonology Society Pia L. Parker-Serviento, MD Department of Pediatrics - Treasurer, Society of Adolescent Medicine of the Philippines, Inc. Fatima Johanna T. Santos-Ocampo, MD Department of Pediatrics - Head, Philippine Society of Allergy, Asthma, and Immunology Primary Immunodeficiency Council - Founding Member and Country Representative, Asia Pacific Society of Immunodeficiency - Founding Member and Country Representative, Southeast Asian Primary Immunodeficiency Network Remi Karis M. Velasco, MD Section of General Surgery, Department of Surgery - Member, Board of Directors, Philippine Society of Breast Surgeons Catherine S.C. Teh, MD Section of Hepatobiliary, Department of Surgery - Chairperson, Philippine Board of HepatoPancreatobiliary Surgery - Editorial Board, Philippine Journal of Surgical Specialties - Executive Council, International Laparoscopic Liver Society - Executive Council, Asia Pacific HPB Association - Editorial Board, British Journal of Surgery - Editorial Board, World Journal of Surgery - Distinguished Award for Public Service, Society for Surgery of the Alimentary Tract Jose Vicente T. Prodigalidad, MD Section of Urology, Department of Surgery - President, Philippine Society of Urologic Oncologists - Council Member, Philippine Urological Association - Director, Philippine Association of Laparoscopic and Endoscopic Surgeons Benjamin G. Herbosa, MD Section of Plastic, Reconstructive and Aesthetic Surgery, Department of Surgery - President, Philippine Association of Plastic, Reconstructive and Aesthetic Surgeons, Inc. - National Secretary, Oriental Society of Aesthetic Plastic Surgery - Founding Member and Philippine Head Delegate, Asian Plastic, Reconstructive and Aesthetic Surgeons
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Recognitions & Partnerships

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Noel L. Rosas, MD then took on the responsibility to acknowledge the doctors who have chosen to retire from their service this year. In a short message, Dr. Rosas expressed his respect and appreciation to all the doctors for their work and contributions not only to Makati Medical Center but also to the practice of medicine.

MMC President and CEO Atty. Pilar Nenuca P. Almira closed the event with a brief message to the attendees. Atty. Almira praised the many doctors awarded as MakatiMed takes pride in all their achievements and as a result, have left a permanent impact on the history of the hospital.

<i>Department of Anesthesiology</i> 2021 Mardelyn Elena D. Beltran, MD Francisco Rian L. Encarnacion, MD Jacqueline O. Ge, MD Christine Joy V. Poblador, MD Niña Johanna Antoine G. Taule-Lim, MD Jonee B. Valmora, MD <i>Department of Dermatology</i> 2021 Joshua A. Arcaira, MD Claudine C. Malaca, MD <i>Department of Emergency Medicine</i> 2021 Hazel Angeli D. Custodio, MD (First Place - Written Exam) Michel A. Buquid, MD (First Place - Oral Exam) Kristel Marie D. del Rosario, MD (First Place - Oral Exam) Don Aldrin D. Alfonso, MD (Second Place - Written Exam) Christopher Bryan W. Caras, MD (Third Place - Written Exam) Moira Madelle C. Mahalac, MD (Third Place - Oral Exam) James Maximillian V. Roy, MD (Third Place - Oral Exam) Mark Austine F. Gawanar, MD Arthur L. Macogay III, MD Lester John P. Rafanan, MD John Hurjay W. Viray, MD Minorosa A. de Guzman, MD Camille Macalag-Sta. Cruz, MD Marie Geneebee B. Puzon, MD 2022 Antonio Luis A. Fugoso, MD (Second Place - Oral Exam) Samantha Gail V. Cosalan, MD Jewel Elaine O. Valenzuela, MD Russel W. Young, MD <i>Department of Medicine</i> 2021 Derrick A. Aguilar, MD Victor Juris R. Añonuevo, MD Tam Adrian P. Aya-Ay, MD Noekka P. Bartolome, MD Aldreus R. Calabiao, MD Xanthia Lou I. Cristobal, MD Mia Arabelle C. Dacumos, MD Diordan Glenn R. de Lemos, MD Jerome M. Fajardo, MD Elsaine Louise L. Fernandez, MD Robert Leonard C. Gace, MD Miguel Manuel T. Mattus, MD Shekinnah Joye U. Nicolas, MD Mary Christine S. Petate, MD Mae Anne Mercedes U. Tapispisan, MD Bianca M. Velando, MD 2022 Guisepppe Inno L. Arabejo, MD Zyra Maye S. Balan, MD Janine Marie G. Bilang, MD Veronica S. Bugna, MD Francis Ross A. De Guzman, MD	Heidi Avediz Del Fuerte, MD Gillie Anne D. Domingo, MD Maxine Andrea T. Garcia, MD Jose Maria I. Gonzales, MD Christopher Bernard D.L.R. Javier, MD Calvin Rei L. Macrohon, MD Natasha Bernadine A. Mapa, MD Jamelen R. Narvasa, MD Simmona Louise M. Nazareno, MD Charles Vincent P. Obdianale, MD Shannon Junhelyn S. Paculan, MD Kiara Marie H. Padua, MD Marvin Ace C. Tindoy, MD Ivan Kenneth S. Zapanta, MD <i>Department of Neurosciences</i> <i>Section of Neurology</i> 2021 Jessica Leike R. Matibag, MD Jose Antonio Luis O. Pantangco, MD John Joshua Q. Punsalan, MD <i>Section of Neurosurgery</i> 2021 Timothy Josef L. Lao, MD <i>Section of Psychiatry</i> 2021 Justin Benigno S. Aquino, MD Ormalyn B. Bayting, MD Myran Robin A. Dantes, MD Lorraine Freyja O. Linsangan, MD Vichka Claire S. Sison, MD <i>Department of Ophthalmology</i> 2021 Arvin M. Panganiban, MD Beatriz Maria Elena M. Prieto, MD <i>Department of Orthopedic Surgery</i> 2021 Jose Rodrigo G. Cervero, MD Tiffany Kaye Kanapi-Coromina, MD <i>Department of Pathology & Laboratories</i> <i>Clinical Pathology</i> 2022 Miguel Antonio T. Chanco, MD Anna Carlissa F. Mariano, MD Pocholo D. Santos, MD <i>Department of Pediatrics</i> 2022 Masami Imamura, MD Don Joseph B. Regulacion, MD Jade C. Rojas, MD <i>Department of Radiology</i> 2021 DR B. Balbuena-Vijan, MD Aquiles B. Colinares, MD Joseph Ronil T. De Leon, Jr., MD Emmanuel R. King, Jr., MD Er Jan Niko R. Malimban, MD Faye M. Miranda, MD <i>Department of Radiology, Section of Radiation Oncology</i> 2022 Daphne Jo S. Valmonte, MD <i>Department of Surgery</i> 2021 Rionne Dijo C. Dacalanio, MD	2022 Al-Jazzar M. Angas, MD Liaa Myla N. Brigola, MD Ann Bernadette C. Dy, MD <i>Section of Cardiology, Department of Medicine</i> 2020 Rowena Q. Javonillo, MD Lauren Angelica R. Labrador, MD Patrick Joseph O. Lim, MD Rosario Soledad C. Neri, MD Maria Cristina A. Sombroero, MD <i>Echocardiography</i> 2021 Juan Armando D. Diaz, MD <i>Section of Endocrinology</i> 2022 Rainer Mark G. Alegria, MD Maria Alexandra C. Villapol, MD <i>Section of Gastroenterology</i> 2021 Karl Paolo O. Dillera, MD <i>Section of Infectious Diseases</i> 2021 Erika V. Caperonce, MD Maria Theresa G. Santos, MD Kristy Michelle S. Talada, MD <i>Section of Pulmonology</i> 2021 Jeanette M. Daquing, MD Karen M. Golong, MD 2022 Ivy B. Dimagiba, MD Frederick Thomas M. Manalaysay, MD <i>Section of Rheumatology</i> 2021 Cassandra E. Machuca, MD (First Place - Diplomate Exam) Kathleen Joy C. Abanilla, MD (Second Place - Diplomate Exam) <i>Department of Pediatrics, Section of Pediatric Pulmonology,</i> 2021 Melanie C. Blando, MD Maria Janette Colino-Yesay, MD Ma. Criselda P. Sarmiento, MD <i>Department of Radiology, Section of CT MRI</i> 2021 Terrence Aaron L. Burgo, MD Arnel P. Co, MD Lyndon Aries A. Pardo, MD Paolo Miguel B. Verayo, MD <i>Section of Ultrasound</i> 2021 Ernest Francis B. Veloso, MD Shelley Lauren S. Cham, MD Katrina Marie F. Mendoza, MD Beryll Anne Louise P. Tan, MD Department of Medicine Season 2 Champion, Dr. Honorata G. Baylon Hematology Cup	Marieta B. De Luna, MD <i>Section of Nephrology, Department of Medicine</i> 43 Years in Service Juanita G. Zagala, MD <i>Section of Cardiology, Department of Medicine</i> 51 Years in Service Clemente C. Gatmaitan, Jr., MD <i>Section of Cardiology, Department of Medicine</i> 44 Years in Service Carlos M. Magsanoc, MD <i>Section of Colorectal Surgery, Department of Surgery</i> 49 Years in Service Federico T. Leelin, MD <i>Section of Gastroenterology, Department of Medicine</i> 51 Years in Service Francisco L. Eraña, DMD <i>Department of Dental Medicine</i> 51 Years in Service Ananias A. Cornejo, MD <i>Department of Emergency Medicine</i> 52 Years in Service Bienvenido A. David, MD <i>Section of General Surgery, Department of Surgery</i> 45 Years in Service Jaime T. Zamuco, MD <i>Department of Pathology & Laboratories</i> 42 Years in Service Dr. Simon B. Sawit + <i>Section of Cardiology, Department of Medicine</i> July 25, 1934 – May 4, 2021 Dr. Isidro B. Benitez + <i>Department of Obstetrics & Gynecology</i> June 15, 1927 – June 11, 2021 Dr. Homobono B. Calleja + <i>Section of Cardiology, Department of Medicine</i> February 27, 1929 – July 25, 2021 Dr. Adoracion M. Nambayan-Abad + <i>Section of Cardiology, Department of Medicine</i> April 1, 1945 – December 11, 2021 Dr. Concepcion S. Montoya + <i>Department of Anesthesiology</i> November 13, 1938 – December 19, 2021 Dr. Juanito B. Billote + <i>Department of Pathology & Laboratories</i> November 23, 1935 – January 14, 2022 Dr. Arlene A. Ricarte-Bravo + <i>Department of Anesthesiology</i> January 6, 1970 – January 21, 2022 Dr. Miguel F. Celdran + <i>Department of Pediatrics</i> October 3, 1929 – March 30, 2022 Dr. Jorge B. Neri + <i>Section of Plastic, Reconstructive & Aesthetic Surgery, Department of Surgery</i> February 22, 1932 – May 14, 2022
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D. Metro Pacific Health Chief Nursing Officer Council Meeting

The Metro Pacific Hospital (MPH) Chief Nursing Officer (CNO) Council meeting was hosted by Makati Medical Center Nursing & Patient Care Services on July 7.

The CNO Council was created under the supervision of Annabelle R. Borromeo, MD, MPH Head of Quality and Patient Safety, to consolidate the group's effort and make common ground on pressing issues concerning the nursing group. The council meets periodically, whether on-site, online or blended, to discuss the relevant agenda at the time.

The meeting discussed pressing issues on nurses' migration, the quality of nursing practice, and salary & compensation. To address these issues, the Council moved forward with the presentation of the group's initiatives on nursing recruitment and

retention programs, manpower management, salary adjustment strategies, continuing education programs, staff training & education activities, leadership plans, and affiliation initiatives.

Held live and online, the event was led by MMC Chief Nursing Officer Eda Bernadette P. Bodegon, MAN, RN. The following MPH hospitals were represented: Asian Hospital and Medical Center, Calamba Medical Center, Cardinal Santos Medical Center, Central Luzon Doctors Hospital, Commonwealth Hospital and Medical Center, Davao Doctors' Hospital, Delos Santos Medical Center, Jose Delgado Memorial Hospital, Los Baños Doctors' Hospital and Medical Center, Makati Medical Center, Manila Doctors' Hospital, Marikina Valley Medical Center, Our Lady of Lourdes Hospital, Sacred Heart of Malolos Hospital, St. Elizabeth Hospital Inc., and West Metro Medical Center.

E. Philippines' First DOH Accredited Cancer Specialty Center

The Department of Health (DOH) announced MakatiMed's Cancer Center as the country's first DOH Accredited Cancer Specialty Center in a General Hospital after its accreditation visit in September.

The prestigious accreditation was based on the cancer center's use of a multi-disciplinary approach to treating and managing the disease, and the board-certified and highly trained oncology doctors, nurses and support staff manning the center. It was also based on the availability of latest cancer care technologies and modalities for patients.

The Cancer Center has long been touted as one of MakatiMed's centers of excellence, providing top-notch treatment and compassionate, quality patient care. The center is composed of an Adult and Pediatric Ambulatory Infusion Units, a self-



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contained Pharmacy Unit, research and conference rooms for multidisciplinary meetings, consultation rooms, and a Bone Marrow Transplant Unit.

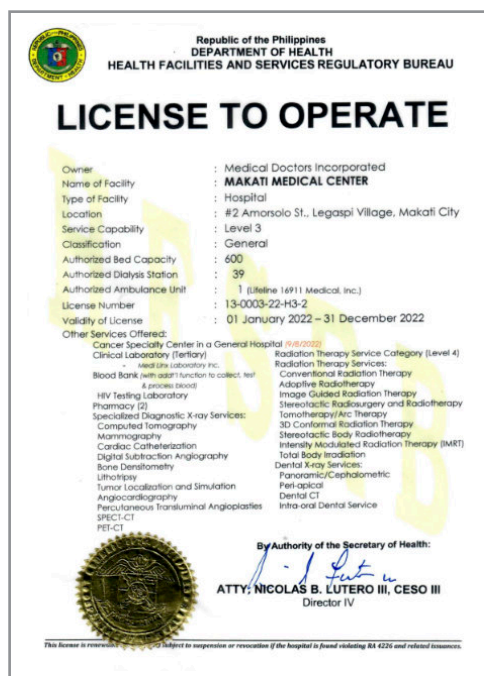
The Center also has existing partnerships with the University of California-Davis Comprehensive Cancer Center and Stanford Medical Center. The agreements include on-site clinical rotation in various oncology subspecialties, the development of an international Cancer Care Network, a cancer registry in MakatiMed, a second opinion program, and participation in various training programs for cancer care.

Headed by Victor K. Gozali, MD and Ma. Belen E. Tamayo, MD, its multi-disciplinary team brings in experts from various clinical specialties to discuss patient cases and conditions. The MakatiMed Cancer Center's holistic cancer treatment approaches include various treatment and management options such as chemotherapy, surgery, transplantation, immunotherapy, radiotherapy, clinical trials, as well as pain management and palliative care, dietary analysis and supervision, and psychological support for cancer patients and caregivers.

F. Medical Physicist Attends the College on Medical Physics International Event

Mr. Jae L. Inamarga, the Medical Physicist and Radiation Protection Officer of PET Imaging Center of the Radiology Department, was one of the chosen attendees for the College on Medical Physics "Medical Physics and Technology – Principles of Optimization, Safety, and Education Development for Building Capacity in Developing Countries."

A total of 53 participants, mostly from low and middle-income countries, were chosen to attend this activity held in Trieste, Italy from September 05 – 23. The College, which is held every two (2) years, was designed to support young medical



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physicists from different parts of the world become future leaders in the field of medical physics in their respective country. Furthermore, Mr. Inamarga, together with another colleague from the Philippines, won the Emerald Award: Joint First Prize for best poster and best presentation on Medical Physics Professional and Educational Issues for their poster entitled: “Medical Physics in the Philippines: A Glimpse”.

G. International Society for Quality in Healthcare (ISQua) Conference

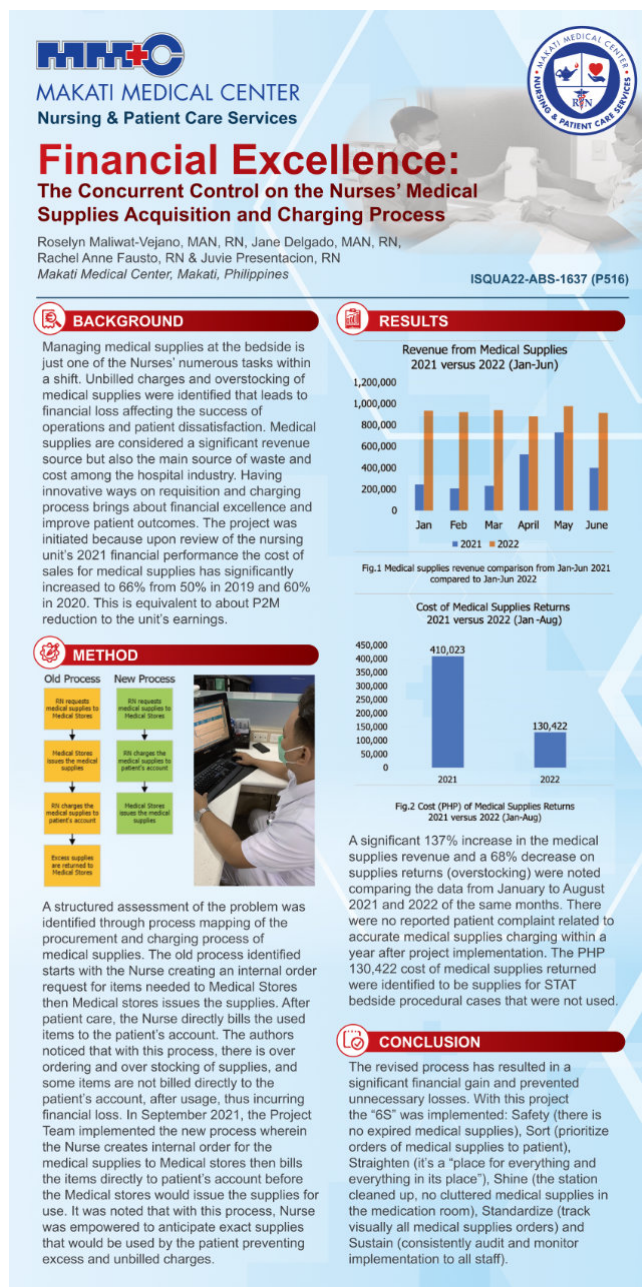
The International Society for Quality in Healthcare (ISQua) held its 38th ISQua Conference in Brisbane, Australia on October 17 to 20.

The conference took place at the Brisbane Convention and Exhibition Centre. It was attended by healthcare workers, administrators, and researchers, among others, all over the world. The delegates were all committed towards the goal of ensuring quality and safe health care practice.

Two representatives from MakatiMed were invited to present their Continuous Quality Improvement (CQI) project during the Poster Presentation session. Dan Jerome A. Barrion, MAN RN, Clinical Department Manager of General Medicine 1, presented the CQI, “Ring the Bell: Improving Response to Call Light & Strengthening Fall Prevention Initiative” under the Patient Safety & Quality Category. On the other hand, Roselyn M. Vejano, MAN, RN, Clinical Department Manager of Adult Critical Care Services, then presented the CQI, “Financial Excellence: The Concurrent Control of the Nurses’ Medical Supplies Acquisition & Charging Process” under the Workforce, Policy and Governance Category.

The 4-day session consisted of a pre-conference workshop for ISQua fellows and members, and a 3-day conference proper that focused on Patient

Safety and Quality, Workforce, Policy and Governance, Quality and Safety in Resource and Co-production with Service Users.



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Nursing & Patient Care Services

RING the Bell:

Improving Response to Call Light and Strengthening Fall Prevention Initiatives

Nerissa A. Lagarico, MAN, RN, Dan Jerome A. Barrion, MAN, RN & Cherryl C. Decripito, RN
Makati Medical Center, Makati, Philippines
ISQUA22-ABS-1152 (P297)

BACKGROUND

The study is conducted in a Medical Surgical Unit with 26 bed capacity catering adult to geriatric patients. In 2021, an increase on fall incidences were noted from 6th Circular, a medical surgical unit catering to adult patients. From January to September 2021, there were ten (10) fall incidences recorded. Drilling down the causes showed that patients who had unwitnessed fall did not call for assistance from the nurse or staff-on-duty and moved out of their beds on their own.

METHOD

Education to patient and their relative(s)/companion(s) were modified to encourage the use of the call light when the patient needs to move out from bed and for the staff to quickly respond to the patient's call. The mnemonic **RING** was used to easily remember responses to call on the staff's perspective and a reminder for the patient to press call light and wait for someone to assist them before moving out of the bed.

FOR THE NURSING STAFF	FOR THE PATIENT
Respond to call	Request for assistance
Intervene and assist	In bed or chair you stay, wait for the nurse
Not to leave patient until settled	Not to move around on your own
Go back, check patient periodically	Go do your thing while being assisted

RESULTS

Direct observation and patient interviews were utilized to gather information regarding the response time of the nurses to patient's calls. With its target of zero (0) complaints on delay in response to call. Monthly monitoring of Fall Incidences and Fall Rate as part of the unit's key performance indicator was also used to reflect effectiveness of the initiative.

CONCLUSION

With the use of a simple, easily remembered education to patients and their relatives/companions, as well as the staff greatly impacts their involvement in the care of patients and the prevention of harm resulted from falls. Patient experience was also improved through the timely response to the patient's call.

Associations (FAPA) Ishidate Award for Hospital Pharmacy at the 28th FAPA Congress in Kuala Lumpur, Malaysia on November 10.

The award is a testament to Ms. Docuyanán's inspiring effort in ensuring the provision of excellent pharmaceutical services to MakatiMed's patients and her commitment to the continued growth of the Pharmaceutical Field as a whole. Named in memory of Prof. Morizo Ishidate, the award was established to celebrate the excellent contributions of Asian Pharmacists in various Pharmaceutical Fields by FAPA in 1986. The international non-profit organization is a membership of national professional pharmacy organizations from 24 countries in the Western Pacific, Southeast Asian, and Eastern Mediterranean Regions.

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Congratulations!

Hazel Faye R. Docuyanán, RPH, MS
Department Head, Pharmacy Services

2022 ISHIDATE AWARD
Recipient for Hospital Pharmacy
from the Federation of Asian
Pharmaceutical Associations during
their 28th congress held in
Kuala Lumpur, Malaysia

FAPA
FEDERATION OF ASIAN PHARMACEUTICAL ASSOCIATIONS

H. Pharmacy Services Department Head wins the FAPA Ishidate Award

MakatiMed Department Head for Pharmacy Services, Hazel Faye Docuyanán, RPH, MS, was awarded the Federation of Asian Pharmaceutical

I. 3rd HOSPITAL STAR AWARDS by the Department of Health (DOH)

The DOH through the Health Facilities and Services Regulatory Bureau (HFSRB) conducted the 2nd Annual Hospital Summit and Hospital Star Awards with the theme "Breaking the Barriers of Mediocrity:

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The Best Pandemic Responders” which took place on November 21 at the Iloilo Convention Center.

MakatiMed is only one (1) of 15 tertiary hospitals in the country, and 15 out of over 100 hospitals, both government and private, to be decorated with this award.

Present at the event were Medical Director, Saturnino P. Javier, MD and Hospital Compliance License and Accreditation (HCLAD) Officers, Ms. Kristine Therese C. Cano and Ms. Sigrid D. Santos. MakatiMed was awarded its 3rd Hospital Star Award by the Department of Health (DOH) for its continued excellence in the response to the COVID-19 Pandemic. The DOH Hospital Star Awards was established to honor the top performing hospitals in the country and those that uphold the delivery of quality services to the Filipino people.

This award is once again evidence of Makati Medical Center’s continued efforts to go beyond the norm in the battle against COVID-19. This honor is significant not only for the hospital, but also each one of its medical and non-medical staff who have labored to ensure that MakatiMed’s patients are safe and experience world-class healthcare.



J. World Stroke Organization Angels Awards: Platinum Status

Since 2019, Makati Medical Center has been consistently recognized by the World Stroke Organization (WSO) during its quarterly Angels Awards. Through this, WSO duly recognizes healthcare institutions that are committed to providing quality stroke care and upholding cultures and systems that support improvement in stroke care.

For the last quarter of 2022, the hospital has been conferred the Platinum Status Award, concurrently making MakatiMed the only private hospital in the Philippines to reach this status.

The WSO Angels Awards has three levels: Gold Status, Platinum Status, and Diamond Status. For every Angels Awards quarterly, what is considered for the conferment of fitting award level is the data captured by each hospital in the last three months.



K. DOH Accreditation as a Kidney Transplant Facility

Makati Medical Center has officially received its renewed Certificate of Accreditation as a Kidney Transplant Facility from the Department of Health (DOH) last December. This latest accreditation is valid from January 1, 2023 to December 31, 2025.

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In the Philippines, only DOH-licensed hospitals can apply for accreditation as a Kidney Transplant Facility. To be granted due accreditation, the healthcare institution must meet all the requirements involving its kidney transplant facility's rooms and utility systems, ancillary services, healthcare personnel, quality management, and ethical guidelines and policies, among others.

At MakatiMed, the Renal Care Services handles its Kidney Transplant Program, which covers both cadaveric and living related donor transplantation. It works with the Urology and Vascular Surgery Sections of the Department of Surgery specifically for kidney transplantation.

MakatiMed has been performing kidney transplant procedures since the 1970s. It received its first official accreditation as a Kidney Transplant Facility from the DOH within the years 2006 and 2007.

L. Best Employer in the Philippines: MMC Places #3

MakatiMed took the third spot in “The Philippines’ Best Employers 2023,” a local list put together by the Philippine Daily Inquirer in partnership with Statista, a premier survey company.

Employers with over 250 employees were categorized into 27 different industries. MakatiMed was notably the only institution under the Healthcare and Social Industry category to land in the top 10.

Actual employees were the ones asked to participate and give their feedback about their respective employers in support of the core idea that no one knows these employers better than their employees. 11,000 employees made up the final sample.

The participants primarily evaluated employers based on their willingness to recommend the company to their family or friends — with zero (0) being the lowest point and 10 being the highest. They also evaluated them with a 5-point Likert scale that constituted around 25 questions which were related to their salary, work-life balance, potential for development, work environment, and the employer's reputation.

Survey participants were also given permission to evaluate employers that are not their own, in the context of reasonable considerations such as the company belongs to the same industry as their current employer, they were former employers of the particular company, and they have close relatives working for the particular employer.

Recognitions & Partnerships

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Overall, MakatiMed received a score of 9.30 out of 10. This is made possible by employee initiatives launched by the hospital that helped boost the morale of their workforce.

The Philippine's Best Employers 2023				
Rank	Employer Brand	Score	Industry	
1	Honda	9.37	Automotive (Automotive and Suppliers)	
2	Verizon Communications	9.34	Telecommunications Services, Cable Supplier	
3	Makati Medical Center	9.30	Healthcare & Social	

M. Other Initiatives

Makati Medical Center, through its Human Resource Management and Development Division (HRMDD) spearheads recurrent activities for its employees. Among them is the monthly Birthday Blast Celebration where celebrants across entire MakatiMed are invited to a virtual party dedicated to them. There is also the monthly Zoomustahan with the New Hires where select MakatiMed leaders welcome the new employees and catch up with them. This enables the new employees to get to know MakatiMed leaders and be familiarized with the hospital's culture. A quarterly MakatiMed Town Hall titled All Hands is also done, where everyone is kept up-to-date on the latest information concerning the hospital's current events, new programs, recent directions, and general updates.

Another initiative for MakatiMed's employees is the monthly incentive program called Shining Stars Award. MakatiMed's Quality Management Division leads in acknowledging their staff who received commendations from the Patient Satisfaction

Survey Forms, emails, social media, or SMS. The list is published on the hospital's monthly newsletter. A total of 3842 employee awards and 546 unit awards were given in 2022.

Another initiative is the Rainbow Connection made to uplift MakatiMed employees through empowering virtual activities launched amid the worst of the pandemic. Activities such as online talent competition, online marketplace, and virtual workout challenges were done to give employees a platform to express themselves and destress. The program was notably recognized with a Gold Award during the 2022 Asian Hospital Management Awards under its talent development category.



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Inspiring & Invigorating
Workforce

A. International Nurses Day 2022

The Makati Medical Center, Nursing and Patient Care Services (NPCS) celebrated this year's International Nurses Day amidst the ongoing pandemic on May 12 and 13.

The Nursing team celebrated the week to promote individual wellbeing and mental health, showcase innovations and updates through continuing education, encourage collaboration and strengthen relationship bonds, and recognize nurses' contribution and hard work.

The celebration began May 12 with a Thanksgiving mass followed by an opening ceremony to launch the DAISY Award for nurses and other professional development initiatives.

In the afternoon, the 1st Nursing Grand Rounds hosted by the General Medicine 1 and High-Risk Nursing Units were conducted via hybrid learning approach at the 8th floor auditorium and live via Zoom Video Conferencing. The program entitled, "Mindfulness in the Workplace: Awakening the Sleeping Minds" showcased strategies to help nurses and other allied health professionals to sustain their mental wellbeing.

On May 13, 2022, a series of Nurses Self Care and Wellbeing classes and activities were conducted. It includes the following activities: Focusing on your Inner Psyche thru Visual Arts; The Make Over Challenge: enhancing your Professional Image; and The PLANTliners: Nurses caring for the environment. The Nurses' bazaar was also held, observing safety protocols and minimum health standards.

The celebrations ended with an International Conference entitled "Nursing Innovation & Excellence through Evidence-based Practice" via

Zoom. Globally renowned speakers Michael Joseph S. Diño, PhD, MAN, RN, LPT, FAAN, President of Sigma Theta Tau International Honor Society in Nursing – Phi Gamma Chapter and Mr. Stephen Rowley, CEO & Director of the Association of Safe Aseptic Practice shared their expertise to the attendees. NPCS leaders served as panel reactors including the presentation of the NURTURE initiative as one of the flagship projects in establishing a research-friendly environment.

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2022 International NURSES DAY!

We care with a Stronger Heart

May 12 & 13, 2022
Thursday and Friday
Via Zoom

Scan to Join Zoom
Zoom Link
<https://bit.ly/3yyjUhl>

SCHEDULE OF ACTIVITIES

May 12, 2022 • Thursday	May 13, 2022 • Friday
9:30 AM Eucharistic Celebration & Thanksgiving Mass Opening Ceremony and Recognizing Excellence in Nursing 1st DAISY Award for Extraordinary Nurses - E.P.I.C.T Award - Skilled Explorer of Experience, Knowledge and Enhancement through Research (SEEKER)	8:30 AM The Nurses Bazaar Nurses' Self Care & Well-Being Initiative Series - Focusing on Your Inner Psyche through Visual Arts - The Make Over Challenge: Enhancing Your Professional Image - The PLANTliners: Nurses Caring for the Environment
12:00 NN NPCS Appreciation Day 1:00 PM Nursing Grand Rounds Mindfulness in the Workplace: Awakening the Sleeping Minds	2:00 PM NPCSD Conference 2022-01 Nursing Innovations & Excellence through Evidence-Based Practice

For inquiries, contact:
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✉ NSD_NERD@makatimed.net.ph

NURSES
A VOICE TO LEAD
INVEST IN NURSING AND
RESPECT RIGHTS TO
SECURE GLOBAL HEALTH

Global Celebration Theme from the International Council of Nurses (ICN)

B. MakatiMed Celebrates 53rd Anniversary, Honors Service Awardees

The MakatiMed Community celebrated its 53rd Anniversary on May 31 via Zoom. The online event began with a Mass followed by the Continuing Quality Improvement (CQI) Awards.

The CQI Award was established to acknowledge and recognize departments/units for empowering Continuing Quality Improvement within their team by continuously identifying improvement activities for their various projects. The projects awarded were related to Patient Safety, Community Involvement, Most Advanced Healthcare Technology, Patient Experience Improvement, and Branding and Marketing Campaigns.

Raffle prizes were also given out to employees with cash prizes, with a total of 98 employees winning the draw. The event also recognized the employees who have stayed with MakatiMed for 5 years or longer.

To cap the celebration, MakatiMed President and CEO, Atty. Pilar Nenuca P. Almira expressed her gratitude and congratulated all the service awardees for their continued support to the hospital and dedication in providing the Filipino people with the MakatiMed brand of care.



Inspiring & Invigorating Workforce

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C. Makati Medical Center Proudly Honors Nurses with The DAISY Award

The Nursing and Patient Care Services (NPCS) of Makati Medical Center officially introduced The DAISY Award for Extraordinary Nurses. The Disease Attacking the Immune System (DAISY) Award is an international recognition program that honors and celebrates the skillful and compassionate care nurses provide every day. The DAISY Foundation was established by the family of J. Patrick Barnes after he died from complications of the autoimmune disease called Immune Thrombocytopenia (ITP) in 1999.

On June 3, MakatiMed held its 1st DAISY Award Ceremony at the Ledesma Hall, Tower 1. With the help of the DAISY Foundation and the Selection Committee members, Quality Management Division Head Artemio C. Salvador, MD, Human Resources Management and Development Division Head Ms. Bitá Siguri, and Medical Education and Research Division Head Ma. Rosario P. Marin, MD, the institution presented six (6) DAISY Awards for Extraordinary Nurses. Ms. Bonnie Barnes, Co-Founder of the DAISY Foundation, virtually graced the event. Eda Bernadette P. Bodegon, MAN, RN Division Head of Nursing & Patient Care Services and MakatiMed's Chief Nursing Officer, presented the DAISY Award Ceremony overview, followed by the

Welcome Remarks of the Medical Director, Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA.

Nominees from the different nursing groups and divisions were initially presented, followed by the sharing of patient stories and granting of the DAISY Award.

The first six (6) recipients of the DAISY Award each received the DAISY Award Certificate, a DAISY Honoree Pin, and The Healer's Touch Sculpture, representing the bond between nurses and patients. There are a total of twelve (12) honorees for 2022:

- Mary Anne P. Robles, RN (Vascular & Lymphedema)
- Gian Carla Baldonado-Laquihon, RN (Delivery Room)
- Hans Christian S. Saldares, RN (Emergency Nursing Services)
- Ma. Cecilia P. Paje, RN (Cancer Center)
- Erik John O. Bellosillo, RN (9th Wing)
- Peter John L. Colobong, RN (7th Rear)
- Lovely B. Mabugay, RN (GM1)
- Wilbert Rillera J. Perea, RN (GM1)
- Ryan Danoel F. Fabia, RN (Neuropsychiatry)
- Mariano Nicholas C. Torres III, RN (Cancer Center)
- Kristine Joy C. Endaya, RN (CV Tele)
- Zeiskha S.T. Solidarios, RN (5th Circular)

The DAISY Committee is led by Eda Bernadette P. Bodegon, MAN, RN; the DAISY Coordinators, Artemio C. Salvador, MD, and Brigitte V. Garcia, RN of the Nursing Education, Research & Development Division (NERD); and the DAISY Core Team, which included Daryl Jeremiah R. Gaba, MAN, RN of NPCS, Joshua Jaime P. Nario, RN of NERD, Monica Liza Reyes-Dizon, and Daniel Edward L. Ricio of Creative, Communications and Sales Services (CCSS).



The following MakatiMed Nurses served as DAISY Champions:

- Rommel G. Alegre Jr. RN, LPT, MAN, CLDP, CLSSYB
- Cherryl C. Decripito, RN
- Camille M. De Guzman, RN
- Darren Benedict E. Reyes, RN
- Farrah T. Visey, MSN, RN, CLSSYB
- Benneth Hermie C. Daus, MAN, RN
- Marian Nicholas C. Torres III, RN
- Goldameir C. Francisco, RN

D. Customer Service Week 2022

Customer Service Week is celebrated annually during the first (1st) week of October. Customer-oriented organizations like Makati Medical Center give attention to the importance of providing excellent customer service and recognize the people providing quality service to its clients. More than 500 Service Operations employees attended the event last October 7. The Customer Service Week aims to celebrate with Service Operations employees as the main bearers of excellent customer service. Its goal is to raise awareness of the value of quality customer service and boost morale, motivate the team, and encourage teamwork.



To recognize the dedication of all Service Operations employees who have gone above and beyond the call of duty in serving the patients, Service Operations celebrated through giving free taho and giving out minor raffle prizes to the employees. The event was an opportunity to raise awareness in offering excellent customer service that plays a vital role in providing a positive patient experience.

E. National Nurses Week Celebration 2022

Makati Medical Center - Nursing and Patient Care Services (MMC – NPCS) joined the country's Nurses' Week Celebration with a theme 'A Voice to Lead: Invest in Nursing and Respect Rights to Secure Global Health' last October 24-28 with its culminating activity on November 18, 2022.

Day 1 of the celebrations began with a Thanksgiving Mass officiated by Fr. Sebastian Ouseph at Ledesma Hall.

After the mass, the program commenced with an opening ceremony by Director and Chief Nursing Officer of NPCS, Eda Bernadette P. Bodegon, MAN, RN.

The Assistant Director of Specialty Nursing, Alexander M. Sangoyo, MAN, RN facilitated the first segment of the program as he introduced and welcomed two distinguished guests, Harish Pillai, MD, the Chief Executive Officer of Metro Pacific Hospital (MPH) and Annabelle R. Borrromeo, PhD, MHA, RN, CNS, MPH Head of Quality and Patient Safety.

The MMC community such as Medical and Professional Services, Service Operations, Quality Management, Creative Communications and Sales, Finance, Procurement, Facility

Management and Engineering, Human Resources Management and Development, led by their Division Heads gave messages and recognized the hardwork, compassion, and dedication of the nurses.

The Asst. Director of Nursing Support Services, Mr. Daryl Jeremiah R. Gaba, MAN, RN, started the second segment of the program by introducing Medical Director Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA. Dr. Javier offered a salute to all the nurses, thanking them for the services, commitment, and support in rendering



compassionate health care. The President and CEO of MMC, Atty. Pilar Nenuca P. Almira took the opportunity to celebrate and rejoice with the nurses for having a noble profession. She thanked the nurses for choosing MMC as their partner in their professional growth.

Nerissa Lagarico, MAN, RN, Asst. Director of General Nursing Units continued the program by discussing the series of events throughout the week. Moreover, she announced the launching of the NPCS Website. The Chairperson of Board of Nursing, Hon. Elsie A. Tee, PHD, RN, MPH, also gave her warm greetings and message. The MMC Family Credit Cooperative Chairperson, Bernardo C. Cueto, MD, congratulated and thanked the nurses who fought against COVID for the last two years.

The program continued with the Innovation Skills Fair and Livelihood Bazaar. To support the entrepreneurial side of the nurses, MMC employees, medical and house staff purchased goods from different stalls.

F. Service Operations Day 2022

Service Operations (SO) Division held its 5th Service Operations Day last October 28 with the theme, "RECONNECT, REBUILD, REKINDLE."

One of the highlights of the program was the awarding ceremony for the 2021 Top Performers. SO employees who excelled in their respective fields were given recognition for their dedication, hard work, and service excellence, in line with the vision and mission of Makati Medical Center.

A total of 26 SO employees were recognized and awarded plaques and cash incentives. In addition, Employees of the Year and Leaders of the Year were also announced:





- **Employee of the Year**
Emily Rose L. Rosales
Angelli S. Sapinoso
- **Leader of the Year**
Aileen Anne B. Abacan
Catherine D. Higino

Various activities were also prepared for all the employees, including “Vest in Spelling Contest”, a T-Shirt Painting Contest, and “SO’s Tawag ng Tanghalan”.

G. 2nd Safety, Quality, and Compliance (SQC) Assembly 2022

The 2nd Safety, Quality and Compliance (SQC) General Assembly made a successful return last November 24-25 at the MMC auditorium with its hybrid setting organized by the Clinical Safety and Risk Management (CSRМ) of Quality Management Division (QMD). The last of its kind was held pre-pandemic on 2019.

A total of 41 onsite healthcare delegates from 12 hospitals and 120 online viewers from 33 hospitals both from private and government healthcare institutions across the Philippines came together for one common goal: to advance, elevate, and deliver better healthcare services by creating, conceptualizing, and sharing an environment of

effective learning with peers. This is part of MakatiMed’s conscious effort to be involved in elevating the healthcare standards in our country.

Several MakatiMed leaders introduced their divisions, highlighting their commitment to promoting safety, quality, and compliance through presenting their goals and achievements.

Quality Management Division (QMD) introduced the Culture of Safety, Quality, and Compliance (CSQC) Program as the main focus. Hospital Accreditation, License and Accreditation Division (HCLAD) highlighted the departments focusing on Compliance, Data Protection, Accreditation, Hospital Licenses, and policies and Programs. The Clinical Safety and Risk Management (CSRМ) Department focused on providing incident reports for safety events and the tools used for this purpose.

Patient Relations highlighted the Complaints Management Unit (CMU) and its Automated Complaints Tracking System (ACTS) for handling and documenting complaints. The Patient Experience unit (PXU) was also discussed, emphasizing the GOLD award received for the Patient Experience Improvement Category.

Hospital Performance Improvement Department (HPID) focused on continuous quality improvements in patient outcomes, experience, and service efficiency. Performance Measure Management (PMM) under HPID serves as a repository for performance measures and quality improvement initiatives. Business Process Management identifies and addresses project scope and goals.

Nursing Quality highlighted the competence and educational resources available for nursing staff. The Pharmacy Services Department discussed Medication Safety Principles, Medication Safety Programs, Best Practices in Medical Safety, and Management of Medication Errors.

The Infection Prevention and Control (IPC) Department discussed the components of the CSQC Programs related to infection prevention and control. Antimicrobial Stewardship (AMS) tackled programs and the historical issues of antibiotic misuse.

CQI e-posters were presented by NPCSD, HCLAD, and QMD which were highlighted both online and onsite:

PROJECT	DIVISION
RING the Bell Improving Response to Call Light and Strengthening Fall Prevention Initiative	Nursing & Patient Care Services
Financial Excellence: The Concurrent Control on Medical Supplies Procurement and Charging Process	Nursing & Patient Care Services
Transforming Nurses in the NEW NORMAL	Nursing & Patient Care Services
Shifting to Hybrid Learning	Nursing & Patient Care Services
HAI Goodbye: Blood Borne Pathogen Exposure Prevention Program	Nursing & Patient Care Services
The use of Spaghetti Protocol in preventing the Transmission of Covid-19 in an Outpatient Cancer Treatment Facility	Nursing & Patient Care Services
Effectiveness of Central Line Maintenance Checklist in Decreasing the CLABSI Incidences in the Adult Critical Care Unit	Nursing & Patient Care Services

PROJECT	DIVISION
Face Pressure Check	Nursing & Patient Care Services
Impact of Designing a Simplified Proactive Tracker	Hospital Compliance, License & Accreditation
Medical Device Recall Process	Quality Management
Chemical Work Environment Measurement (WEM) in Ensuring Workers Wellbeing	Quality Management
I'm Hear: PXU Telerounds	Quality Management

Roundtable Discussions were organized at the end of every session to further share best practices highlighting their unique patient experience initiatives. A hospital tour was also conducted, visiting areas such as the Pharmacy Services Department, Radiology Services, Pathology & Laboratories, Maternity & VIP Services - 9th Front, Maternity & VIP Services - 5th Front which resulted to a lot of commendations coming from the delegates.

H. MakatiMed Celebrates its Nonagenarian Physicians

Makati Medical Center recognized its nonagenarian physicians who have offered their expertise to the hospital through an event titled "Precious Diamonds: A Christmas Tribute to the Sterling Physicians by MMC Artisans."

The celebration took place in December at the MakatiMed Auditorium and was attended by the nonagenarian physicians and their relatives, members of the Diamond Club, and MMC Doctor Artisans, among others. It was also simultaneously streamed on Zoom, enabling more attendees to access the event.

Inspiring & Invigorating Workforce

MakatiMed Medical Director, Saturnino P. Javier, MD acknowledged the nine (9) Precious Diamonds, or the 90-year-old and above Diamond Consultants:

PHYSICIAN	SPECIALTY	YEARS OF SERVICE
Vicente Q. Arguelles, MD	Surgery	53
Santiago A. Del Rosario, MD	Obstetrics and Gynecology	53
Rodolfo B. Herrera, MD	Urology	53
Florina R. Kaluag, MD	Cardiology	53
Augusto D. Litonjua, MD	Endocrinology	53
Roberto K. Macasaet, MD	Urology	53
Ponciano D. Manalo, MD	Plastic, Reconstructive, and Aesthetic Surgery	53
Remedios G. Suntay, MD	Anesthesiology	53
Tito P. Torralba, MD	Rheumatology	47

The Precious Diamonds were treated to a tribute and performances prepared by family members and junior consultants, as well as Fatima Johanna Ocampo-Santos, MD and Michael Luke T. Mangussad, MD of the Department of Pediatrics; and Ms. Bea Lorenzo, daughter of Conrado Gabriel C. Lorenzo III, MD of the Section of Oncology.

Representing the rest of the Precious Diamonds, Santiago A. Del Rosario, MD took the stage to express the honorees' response to this acknowledgment by the MakatiMed community. He also made special mention of MakatiMed President and CEO, Atty. Pilar Nenuca P. Almira

and Medical Director, Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA, nodding to their forceful leadership.

Classical music similarly engulfed the auditorium with a Quartet on the helm, while the art exhibit featuring the works of MMC Doctor Artisan Painters concluded the tribute. Said exhibit was for the benefit of the MMC Foundation, the ribbon-cutting of which was done prior to the official start of the event led by Vermen Verallo-Rowell, MD of the Department of Dermatology, Founding President of Diamond Club; and Victor L. Gisbert, MD of the Section of Peripheral Vascular Surgery, President of the MMC Foundation.

The Department of Ethics and Culture and MMC Medical Staff Association brought to life this Christmas tribute, in cooperation with the Division of Medical Education and Research, the MMC Foundation, and the Office of the Medical Director.

I. Christmas Tree Lighting 2022

On December 2 at the Main Lobby, MakatiMed continued the tradition of its annual Tree Lighting Ceremony. The year's theme is "Mas Maningning na Christmas sa MMC." Everyone was invited to participate either in-person or via Zoom.

Healthcare workers performed through recorded dance videos and live solo singing performances. Key messages from select key people of MakatiMed were delivered — Bitá Siguri, Vice President of Human Resources Management and Development Division (HRMMD); Roel Pahati, President of Makati Medical Center Employees Association-Alliance of Filipino Workers (MAMACEA-AFW); Jay Arnold F. Famador, MD, President of the Medical Staff Association (MSA); Saturnino P. Javier, MD, MakatiMed's Medical Director; and Atty. Pilar Nenuca P. Almira, MakatiMed's President and CEO, who was represented by Ms. Sigari.



The blessing of the Nativity Scene was led by MakatiMed's Chaplain, Fr. Sebastian Ouseph, and the much-awaited lighting of the Christmas tree led by Dr. Javier and Ms. Sigari.

J. Company-wide Christmas Party 2022

The company-wide virtual Christmas Party was held on December 16, hosted by Ryan Raymond Y. Bautista, MD, Department Manager of the Employee Well-being Clinic (EWC); and Ma. Katherine Joy C. Tajonera, MD, Echocardiography Fellow from the Division of Medical Education and Research (DMER).

The hour-long gathering, despite being done virtually, provided fun for the hundreds of MakatiMed employees in attendance. Numerous raffle draws were conducted, wherein a total of 200 employees won.

Winners for the Parol-Making Contest, "Mas Maningning na Parol", were announced during the event as well, wherein the Nursing and Patient Care Services (NPCS) Division took the first place. The Service Operations (SO) Division closely followed in second place, the Finance Division in third place, the Quality Management Division (QMD) in fourth place, and the Information and Communications Technology (ICT) Division in fifth place.

Aside from harnessing the joy of the holiday season, the Christmas Party also served as a platform for the employees to extend appreciation to MakatiMed through "Kwentong MMC", as individuals and divisions were encouraged to share special stories as MakatiMed employees.

K. 2022 Physician's Leadership Year-end Assembly

This 2022 MMC Year-End Assembly of Department Chairs and Section Chiefs was held last December 9 at Ledesma Hall in Tower 1. 37 MakatiMed clinical leaders attended this year's assembly, joining them were other MakatiMed leaders who came forward to provide extensive updates on the several facets of the hospital's operations during the present year.

Among them was SSaturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA, MakatiMed's Medical Director, who presented the MMC Operational Updates for 2022, as well as the Physician Engagement and Balanced Scorecard.

Dr. Javier announced that MakatiMed has received approval for a P102 million equipment investment and detailed upcoming expansion projects for 2023. These projects include expanding the Heart Station and Endoscopy Unit, adding an Ambulatory Surgical Center in the

Emergency Room, and constructing Tower 4. He also highlighted ongoing research studies, with 54 clinical trials focusing on infectious diseases, oncology, gastroenterology, and vaccines.

Senior Vice President and Chief Finance Officer Arnold C. Ocampo provided financial updates, noting the hospital's return to pre-pandemic financial standing in 2022, driven by regular cases. Director of Hospital Compliance, License, and Accreditation Division (HCLAD) Mary Milagros D. Uy, MD then discussed Joint Commission International compliance, addressing common findings related to infection risk practices, facilities, and medication storage.

Atty. Pilar Nenuca P. Almira, MakatiMed's President and CEO, called forth for everyone's continued commitment to providing quality service and quality care to the patients. Atty. Almira similarly underlined the importance of the hospital's census – an indication that the people trust MakatiMed for their healthcare.





Giving Back

A. Patient Experience Forum in Celebration of Patient Experience Week

Makati Medical Center celebrated its 2nd Patient Experience Week on April 25-29.

An exhibit showcased at the hospital lobby highlighted the employees' efforts to renew and strengthen the MMC Community's commitment in providing a more positive patient experience.

With the theme: "The MakatiMed Patient Experience: Our Commitment to a Positive Experience at Every Encounter", a Forum was conducted last April 27, 2022. The forum was moderated by Head of the MakatiMed Wellness Center Ma. Gia Grace B. Sison, MD, and Division Head of the Quality Management Artemio C. Salvador, MD.

MMC Medical Director Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA reiterated the importance of ensuring a positive patient experience, from the very beginning of their encounters with the staff as they enter the hospital up to the interactions they have when leaving. The Medical Director also stated that all the staff are extremely integral in making sure that MakatiMed's values of "Malasakit" or Compassionate Care and Service-Excellence are experienced by all who visit the hospital.

Panelists from the MMC Community, Chairman of the Department of Emergency Medicine Amado A. Flores III, MD, President of the Medical Staff Association Jay Arnold F. Famador, MD, Pulmonology Specialist Jillian L. Tabora-Lacdao, MD, Cancer Center Department Manager Cecilia P. Paje, MAN RN, and Senior Respiratory Therapist Jon-Jon V. Velasco, RRT – shared their insights, experiences, and best practices that embody service excellence and sincere care for patients. The panellists were asked about what they find



important in providing a positive patient experience during the pandemic. The general consensus was the importance of compassion, collaboration, and community; as they explained the value of empathy towards patients and the significance of the sharing of information during the ever-evolving medical situation of the pandemic.

Guest speaker for the event Terry Grundy, MBA, JP, talked about the "Key Insights from the Impact of COVID-19 — Why has there been an international decline in patient experience and quality metrics?" He explained that a drop in employee engagement has an impact on patient experience, and that communication and validation are the keys to effective patient-centered care.

MakatiMed President and CEO Atty. Pilar Nenuca P. Almira enjoined the community in recommitting themselves to the promise of providing a positive patient experience and creating a culture of accountability and compassion.

This year's event had 211 registered attendees with an overwhelming 284 participants.

Giving Back

Makati Medical Center • Medical Doctors, Inc

B. World Patient Safety Day 2022

Makati Medical Center celebrated World Patient Safety Day in September aligned with the World Health Organization's declaration that every September 17 is World Patient Safety Day, a global public health day.

The celebration is a campaign for all stakeholders in the healthcare system to work together and share engagement to improve patient safety. This year's theme is "MEDICATION WITHOUT HARM" with a call to action to "Know, Check, and Ask".

MakatiMed's celebration, as organized by the Quality Management Division – Clinical Safety and Risk Management Department, started on August 29 with an information campaign about World Patient Safety Day.

As part of the campaign, a Tote Bag Design-Contest was held where participating employees were asked to submit a handcrafted design printed on the Tote Bag illustrating the theme of World Patient Safety Day 2022, Medication Without Harm. The three (3) winners out of seventy participants received gift certificates and certificates of recognition.

A Patient Safety 3-Day Challenge was held, where employees were asked to complete simple daily actions which can result in positive outcomes over the long term. Around 100 employees took the challenge, receiving positive feedback from both the employees and management. The activity earned more than 425 engagements in Daloy: The Official MMC Employees Facebook Community Page.

Recognitions were awarded to Facilities Management and Engineering Division- House Keeping and Linen Services, Nursing and Patient Care Services Division, and Pharmacy Services Department for their outstanding contribution in strengthening the MakatiMed Culture of Safety through Safety Events Reporting. Sixty-six (66)

hospital departments/ units were also recognized for garnering one hundred percent (100%) compliance rate during the conduct of the safety event preventive action plan monitoring.

A webinar and a culminating activity were held online via Zoom on September 30. The Webinar focused on the WHO's Global Patient Safety Challenge: Medication Without Harm. In alignment with the objectives of the World Patient Safety Day's objectives, three (3) plenary sessions were held to raise awareness on this topic, through sharing of strategies and best practices to improve medication safety. Medical Director Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA, emphasized that miscommunication is one of the most common causes of errors in the hospital, and that the call to action of the World Health Organization, i.e., Know, Check, and Act, is timely and relevant for the institution.

During the first part of plenary session, Ms. Helen Haskell, Co-Chair of the World Health Organization's Patients for Patient Safety, and President of Mothers Against Medical Error and Consumers Advancing Patient Safety delivered a lecture entitled Patients' Engagement in Medication Safety, Challenges and Opportunities. Her discussion covered the perspectives of patients about medication harm, statements, commitments, and recommendations of the World Health Organization; and how these recommendations were applied by different countries and healthcare systems across the globe.

The second discussion was facilitated by Shin Ushiro, MD, Board Member of the International Society for Quality in Healthcare. He focused on "Reporting and Learning System for Medication Error". Dr. Ushiro highlighted the importance of reporting and analyzing patient safety events and sharing and learning.

Giving Back

Reimagining the Future of Patient Care • Annual Report 2022



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Improve Patient Safety

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3-DAY

PATIENT SAFETY CHALLENGE

SEPTEMBER 14 - 16, 2022

MMHC MAKATI MEDICAL CENTER

For inquiries, contact:
Quality Management Division
Clinical Safety and Risk Management

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ClinicalSafety.RiskManagement@makatimed.net.ph

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MMHC MAKATI MEDICAL CENTER
World Patient Safety Day 2022

MEDICATION WITHOUT HARM

Global Patient Safety Challenge

September 30, 2022 • Friday
8:00 AM to 12:00 NN
via Zoom

SPEAKERS

Helen Haskell, MA
Co-chair, Patient for Patient Safety Advisory Group
World Health Organization

Shin Ushiro, MD Ph.D
Director, Division of Patient Safety
Kyushu University Hospital

Lourdes Dorion Diaz, MD
Chairperson, Therapeutics and Medication Safety Committee
Makati Medical Center

Scan QR Code to join the Webinar
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Meeting ID: 837 9836 7248
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The third and final topic was about “Makati Medical Center’s Medication Safety Program” presented by Lourdes Dorion-Diaz, MD, Chairperson of Makati Medical Center’s Therapeutics and Medication Safety Committee. It featured the existing medication safety programs and activities of the hospitals. It also tackled the different medication safety issues encountered by the hospital and the strategies it implemented to prevent the recurrence of medication errors.

Atty. Pilar Nenuca P. Almira, President and CEO pointed out that our continuous commemoration of the World Patient Safety Day with the rest of the world shows Makati Medical Center’s relentless commitment to patient safety. The President and CEO also recognized the enormous work of everyone in the hospital to make sure that patients and health workers are safe. She encouraged all to strengthen our commitment to medication safety by adhering to our procedures and by ensuring that we always deliver the highest standard of care.

C. Partnership Renewal with Eye Bank Foundation of the Philippines

MakatiMed’s Department of Ophthalmology and the Eye Bank Foundation of the Philippines formalized the renewal of the partnership with the signing of a new Memorandum of Agreement (MOA) on World Sight Day, October 14. The MOA was signed by MakatiMed representatives, Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA, Medical Director; Sherman O. Valero MD, Chairman of the Department of Ophthalmology; and Eye Bank representatives, Ma. Dominga B. Padilla MD, President and CEO and Ellen S. Lagan, Manager.

The signing was broadcasted live to the MakatiMed and Eye Bank communities, and was virtually attended by Atty. Pilar Nenuca P. Almira, MakatiMed President and CEO and Reynaldo E.



Santos MD, President of Philippine Cornea Society. Both parties have also reiterated their commitment to the promotion of eye health, donation, and transplantation through patient education, counseling, and various public health endeavors. The event was concluded with a symbolic signing of an organ donation pledge card.

Through the agreement, trained personnel from the Eye Bank are allowed to retrieve eyes or corneas in MakatiMed with consent from patients or their next of kin. If two corneas are obtained from one donor, one cornea shall automatically be offered for use in transplant surgery for a patient of the hospital. The other cornea will go into the pool of the Eye Bank for distribution to another patient in the country in need of corneal transplant.

The Eye Bank is the only state-of-the-art eye banking facility in the country that evaluates and distributes donated eye tissue and corneas for use in transplantation, research, and education. As part of its long-time partnership with the hospital, it regularly conducts cornea and eye donation awareness workshop-forum for the MakatiMed community to underline the importance of corneal donation and corneal transplantation positively impacts the lives of recipients and their loved ones.

Giving Back

D. Nurses Blood Donation Drive

A two-day Nurses Blood Donation Drive was organized by MakatiMed Nursing Patient Care Services Division in coordination with Laboratory Department Blood bank on October 25 and 26 as a campaign to encourage individuals to donate blood. The activity is aligned with other members of the Metro Pacific Health Nursing Service as part of social responsibility.

Nurses play a critical role in the blood donation process, as they are often responsible for collecting and processing the donated blood. Overall, the activity served as a great way for nurses to give back to their community and promote the importance of blood donation.



E. Tree Planting

The Nursing and Patient Care Services Division (NPCSD) held hands-on farming activities and tree planting on November 12 at the Avviare Farm at Calaluan Laguna.

Thirty-five (35) employees from NPCSD participated in the initiative and planted 35 seedlings in the area.

Nurses, being healthcare professionals, are already dedicated to improving the health and wellbeing of their patients. By planting trees, they can extend their care to the environment and the



wider community. Trees play a crucial role in maintaining a healthy ecosystem, as they absorb carbon dioxide from the air and release oxygen, reduce soil erosion, and provide habitat and food for wildlife. Planting trees can improve air quality, reduce noise pollution, and enhance the appeal of a neighborhood, among other benefits.

F. CSR Initiatives

Various Divisions actively engaged in CSR activities for the year. Among these activities are the following:

One Good Deed program is one of the notable initiatives of the MMC divisions. Employees surprised food delivery riders by ordering food and giving it to them.

The Service Operations (SO) Division supported Child Haus, a center for children with cancer that provides respite and temporary shelter for those who need financial support for their treatments. Last April, SO staff, in cooperation with the MMC Managers Council, provided coloring books, crayons, hygiene kits, and medicines to the children.

Giving Back

Concordia Children's Services, a child welfare agency for the abandoned, orphaned, and urban poor children, were also reached out by SO. Last August, representatives from different outpatient departments distributed necessities such as milk, rice, medicines, diapers, and cleaning packs for the children.

Over 50 doctors from MMC and MakatiMed Foundation also volunteered to provide free online consultations during the online Medical Mission in collaboration with mWell last August 27-28.

A community outreach program to support the Aeta children was organized by MakatiMed Wellness Center, in partnership with MC Foundation and PLDT-Smart Foundation. They distributed 600 bags of school supplies, including notebooks, pens, pencils, and backpacks, to support the educational needs of the children.

A free eye screening activity was also held by the Department of Ophthalmology, MMC Foundation, and MakatiMed Wellness Center for the Philippine Coast Guard Aviation Force, Philippine Marines, Philippine Navy Naval Air Wing and more during the Sight Saving Month.



Giving Back



LEADERSHIP **2022**

LEADERSHIP 2022

PRESIDENT & CEO

Atty. Pilar Nenuca P. Almira

MEDICAL DIRECTOR

Antimicrobial Stewardship Team
Clinical Research Center
Infection Prevention & Control
Institutional Review Board
Medical Records Management
Nutrition & Dietetics
Pharmacy Services

Saturnino P. Javier, MD, FPCP, FPCC, FACC, MMHoA
Ma. Tarcela S. Gler, MD
Richelle B. Bumanglag, MD
Janice C. Caoili, MD
D. Darwin A. Dasig, MD
Mark Paul S. Castillo, MD
Maricar M. Esculto, MD
Hazel Faye R. Docuyanana, RPh, MS

MEDICAL SERVICES

Director

Assistant Director, Operations, Medical Services
Assistant Director, Credentialing & Privileging
Medical Services Office

John Vincent G. Pastores, MD

Ernest J.A. Pagdanganan, MD
Karen L. Nielsen, MD
Melecia H. De Leon

CLINICAL DEPARTMENTS

Anesthesiology
Dental Medicine
Dermatology
Emergency Medicine
Legal Medicine
Medicine
Allergology & Immunology
Allied Medicine
Cardiology
Critical Care Medicine
Endocrinology
Gastroenterology
General Medicine
Hematology
Infectious Diseases
Nephrology
Oncology
Pulmonary Medicine
Rheumatology
Neurological Sciences
Neurology
Neurosurgery
Psychiatry
Nuclear Medicine
Obstetrics & Gynecology

Amelia A. Reyles, MD
Maria Carmen N. Yulo, DMD
Elsie Reynosa P. Floreza, MD
Amado A. Flores, III, MD
Rodel V. Capule, MD
Jose Paulo P. Lorenzo, MD
Manuel M. Canlas, MD
Jose Paulo P. Lorenzo, MD
Saturnino P. Javier, MD
Gary A. Lopez, MD
Jimmy B. Aragon, MD
Carlo M. Cornejo, MD
Juancho Alfredo D. Las, MD
Jesus A. Relos, MD
Janice C. Caoili, MD
Eladio Miguel M. Peñaranda, Jr., MD
Regina E. Dy, MD
Gregorio P. Ocampo, MD
Augusto O. Villarubin, MD
D. Darwin A. Dasig, MD
Perry N. Noble, MD
Michael N. Sabalza, MD
Jon Edward B. Jurilla, MD
Marie Rhiamar S. Gomez, MD (*OIC as of July 15, 2021*)
Mercedes P. Viduya, MD

LEADERSHIP 2022

Ophthalmology
Orthopedic Surgery
Otorhinolaryngology
Pathology & Laboratories
Pediatrics
Physical Medicine & Rehabilitation
Radiology

Breast Clinic
CT-MRI
Diagnostic
Interventional Radiology
PET-CT
Radiation Oncology
Ultrasound

Surgery

Colorectal Surgery
General Surgery
Hepatobiliary
Metabolic & Surgical Nutrition
Minimally Invasive Surgery
Pediatric Surgery
Peripheral Vascular
Plastic & Reconstructive
Thoracic & Cardiovascular Surgery
Urology

Sherman O. Valero, MD
Antonio A. Rivera, MD
Joseph Ray Richard R. Cedeño, MD
Joey D. Borromeo, MD
Rosario P. Paguntalan, MD
Joseph Gerard D. Lipana, MD
Jackson U. Dy, MD

Fay A. Coloma, MD
Richie A. Pilapil, MD
Jeffrey L. Tantiapact, MD
Alvin Constantine T. Tin, MD
Marie Rhiamar S. Gomez, MD
Dennis V. Doromal, MD
Blaise K. Liao, MD

Jaime SD Songco, MD

Jan Paolo M. Cruz, MD
Victor K. Gozali, MD
Catherine S.C. Teh, MD
Dino Roberto D. Vargas, MD
Ernest J.A. Pagdanganan, MD
Wilma A. Baltazar, MD
Ricardo T. Quintos, MD *(OIC as of August 1, 2021)*
Benjamin G. Herbosa, MD
Ramon I. Diaz, Jr., MD
Jaime S.D. Songco, MD

PROFESSIONAL SERVICES

Director

Breast Clinic
Cancer Center

Bone Marrow Transplant Unit
Cardiac Catheterization Laboratory
Cardiac Rehabilitation Unit
Center for Regenerative Medicine
Osteoporosis & Bone Health
Center for Tropical & Travel Medicine
CV ICU, CV Recovery / Telemetry
Cardiovascular Diagnostic Laboratory (*Heart Station*)
Dermatology & Phototherapy Center
(*Dr. Manuel C. Fernandez, Sr. Center*)
Diabetes Care Center

Noel L. Rosas, MD, MMHoA

Fay A. Coloma, MD
Victor K. Gozali, MD
Ma. Belen E. Tamayo, MD
Teresita E. Dumagay, MD
Joaquin Emilio G. Jison, MD
Adolfo B. Bellosillo, MD
Joey D. Borromeo, MD
Josephine Y. Lu, MD
Marion Priscilla A. Kwek, MD
Oliver M. Sansano, MD
Benjamin N. Alimurung, MD
Patricia Anne T. Tinio, MD
May O. Sison, MD

LEADERSHIP 2022

Emergency Department
ENT Center
Eye Care Center
Gastroenterology & Endoscopy Center
Liver Unit
Integrative & Palliative Home Care
MakatiMed Care Access | Araneta City
MakatiMed Wellness Center
Medical Intensive Care Unit
MMC HealthHub
Neurosciences Center
Memory Plus
Neurophysiology & Sleep Disorders
Neurovascular Laboratory
Subspecialty Clinics
Neuro Intensive Care Unit
Neuropsychiatry Unit
Newborn Services/NICU
Nuclear Medicine
OR-DR Complex (*CP Manahan Pavillion*)
Pain Management Services
Pathology & Laboratories
Pediatric Intensive Care Unit
Physical Medicine & Rehabilitation Center
Pulmonary Laboratory
Radiology Services
Renal Care
Skin & Laser Hub
Surgical Intensive Care Unit
Surgical Suites (*Jose Y. Fores Surgical Pavillion*)
Urogynecology & Incontinence Center
Vascular & Lymphedema Center
Weight Wellness

Amado A. Flores, III, MD
Joseph Ray Richard R. Cedeño, MD
Sherman O. Valero, MD
Carlo M. Cornjejo, MD
Madalinee Eternity D. Labio, MD
Mari Joanne G. Joson, MD
Frederick H. Verano, MD
Gia Grace B. Sison, MD
Maria Claudia G. Alcancia, MD
Minerva M. Laconico, MD
D. Darwin A. Dasig, MD
Paulino S. Tenchavez, MD
Katerina Tanya P. Gosiengfiao, MD
Anna Marie B. Sage-Nolido, MD
D. Darwin A. Dasig, MD
Raquel T. Mallari-Alvarez, MD
Jon Edward B. Jurilla, MD
Victor Q. Zapanta, MD
Marie Rhiamar S. Gomez, MD
Mercedes P. Viduya, MD
Merle Dela F. Cruz-Odi, MD
Joey D. Borromeo, MD
Alvin C. Florentino, MD
Joseph Gerard D. Lipana, MD
Gregorio P. Ocampo, MD
Jackson U. Dy, MD
Eladio Miguel M. Peñaranda, Jr., MD
Elsie Reynosa P. Floreza, MD
Jaime S.D. Songco, MD
Jaime S.D. Songco, MD
Anthony Dexter G. Griño, MD
Jasmin Melissa B. Bernardo, MD
Gia D. Wassmer, MD

MEDICAL EDUCATION & RESEARCH

Director

Bioethics Educational Committee
Clerkship and Observership Program
Clinical Research Center
Culture
Fellowship Program
Health Services
Internship Program
Community Medicine (*Adult*)
Community Medicine (*Pediatrics*)

Maria Rosario P. Marin, MD

Jacqueline H. King, MD
Celeste Aida G. Gali, MD
Richelle B. Bumanglag, MD
Vermen M. Verallo-Rowell, MD
Jimmy B. Aragon, MD
Victor L. Gisbert, MD
Ma. Milan P. Tambunting, MD
Jillian Mae L. Tabora, MD
Jennifer Theresa G. Tiglaog, MD

LEADERSHIP 2022

Medical Education Office
Residency Program

Odessa P. Caimoy
Ramon DS. Francisco, MD

Hospital Compliance, License & Accreditation

Director

Assistant Director & Data Protection Officer
Compliance
Hospital License
Policies & Programs Management

Mila D. Uy, MD, MBAH

Sabrina Mae B. Murillo, RCh, MBA
Mary Milagros D. Uy, MD, MBAH (*Concurrent*)
Kristine Theres C. Cano, Rn, MOH
Nadia A. Aguirre

NURSING & PATIENT CARE SERVICES

Chief Nursing Officer

Assistant Directors

Clinical Operations & Innovation

General Nursing Services
General Medicine Services 1
General Medicine Services 2
High Risk
Maternity & VIP Services

Nursing Support Services

Nursing Education, Research & Development
Nursing Quality
Nursing Standards & Policy
Nursing Workforce Management, Budget & Informatics

Specialty Nursing Services

Adult Critical Care Services
Cancer Center, Pain Management & Organ Transplant Services
Cardiac Catheterization Laboratory & Clinical Care Support Services
Emergency Nursing Services
Maternity Services & Endoscopy Unit
Newborn & Pediatric Services
Operative Services & Central Sterilization Unit
Renal Care

Eda Bernadette P. Bodegon, MAN RN

Daryl Jeremiah R. Gaba, MAN RN

Nerissa A. Lagarico, MAN RN

Alexander Gervacio M. Sangoyo, MAN RN

Eda Bernadette P. Bodegon, MAN RN (*Concurrent*)

Nerissa A. Lagarico, MAN RN

Dan Jerome A. Barrion, MAN RN

Leonides B. Bernal, MAN RN

Jesus R. Aytona, MAN RN

Camille M. De Guzman, MAN RN

Daryl Jeremiah R. Gaba, MAN RN

Joshua Jaime P. Nario, MA, RN, CLDP

Arthur Kevin V. Castor, RN

Ritchelle M. Galang, MAN RN

Catherine S. Alcantara, MAN RN

Alexander Gervacio M. Sangoyo, MAN RN

Roselyn M. Vejano, MAN RN

Ma. Cecilia P. Paje, MAN RN

Maria Michaela Caroline E. Miranda, MAN RN

Grace Dyan C. Maranan, MAN RN

Farrah T. Visay, MSN RN

Ma. Christine C. Asi, MAN RN

Leah L. Ante, RN

Christine S. Javier, MAN RN

FACILITIES MANAGEMENT & ENGINEERING

Division Head

Biomedical Engineering
Engineering
Facilities Maintenance/ Pollution Control
FMED Quality & Compliance

Engr. Gerry E. Cunanan

Engr. Lysander P. Labitag

Engr. Domingo E. Pondoyo, Jr. (*resigned as of December 21, 2022*)

Engr. Domingo E. Pondoyo, Jr. (*resigned as of December 21, 2022*)

Reymar C. Aringo

LEADERSHIP 2022

General Services
Project Design & Management

Kristine C. Surla
Engr. Caesarr Ayan V. Alviola (*resigned as of December 2022*)

FINANCE

Division Head/Chief Finance Officer
Controllershship
Credit, Billing & Collections
Financial Planning & Control
Inventory Management
Pricing
Treasury

Arnold C. Ocampo, MMHoA
Armyla B. Palomar
Joy Vincent E. Oconer
Marilou M. Gadiana
Helene Bernice G. Uy
Maria Jesusa M. Torres
Bernardo F. Tawatao

HUMAN RESOURCES MANAGEMENT & DEVELOPMENT

Division Head
Organization Development
Employee Engagement, Labor Relations & Compliance
Employee Well-being Clinic
Learning & Development
Legal Services
Talent Acquisition
Total Rewards & Analytics

Bitu Sigari
Karen O. Torres

Bitu Sigari (*Concurrent*)
Ryan Raymond Y. Bautista, MD
Carl Rigg C. Buenaseda
Atty. Marcos Arcadio G. Lauron (*Consultant*)
Jertrude C. Oliveros
Angelita P. Garcia

INFORMATION & COMMUNICATIONS TECHNOLOGY

Division Head
Business Systems Development & Support
Information Security & Technology Control
Technology Infrastructure Support

Isidoro M. Perfecto (*Officer-In-Charge, as of May 2021*)
Isidoro M. Perfecto
Isidoro M. Perfecto (*Concurrent*)
Jairus E. Villarico

CREATIVE, COMMUNICATIONS & SALES SERVICES

Division Head
Creative Services & Communications
MMC HealthHub – Operations
Sales Services

Arlyn L. Songco, MMHoA
Monica Liza R. Dizon, MMHoA
Aureen Joy D. Narito (*resigned as of October 2022*)
Mary Ann B. Lee

SERVICE OPERATIONS

Division Head
Outpatient Services & Operations Support
Cluster 1
Nuclear Medicine
Pathology and Laboratories
Pulmonary Laboratory
Operations Support

Reynaldo J. Lim
Eric M. Angeles, MD
Eric M. Angeles, MD (*Concurrent*)

Maricor M. Bautista

LEADERSHIP 2022

Business Operations Support Services	
Health Services	
MakatiMed On-Call	
Business Operations Support Services	
Health Services	
MakatiMed On-Call	
Outpatient Services	Erachelle L. Buagas
Cluster 2	Catherine D. Higinio
Center for Osteoporosis & Bone Health	
Radiation Oncology & PET Imaging	
Radiology Operations	
Radiology Services (<i>CT-MRI Unit, Diagnostics Unit, Ultrasound Unit</i>)	
Cluster 3	Laurice Candy D. Guico
Cardiovascular Diagnostic Laboratory	
Neurosciences (<i>Neurovascular Laboratory, NSDL, Memory Plus, & Subspecialty Clinics</i>)	
Physical Medicine & Rehabilitation	
Vascular & Lymphedema Center	
Cluster 4	Maribeth M. Mendoza, RN
Dermatology & Phototherapy Center	
ENT Center	
Eye Care Center	
Urogynecology & Incontinence	
Offsite Services	Thumbelina O. Tan, RN (<i>Concurrent</i>)
Discovery Primea	
Integrative Palliative & Home Care	
MakatiMed Araneta City	
MakatiMed Wellness Center	

QUALITY MANAGEMENT

Division Head	Artemio C. Salvador, MD, MMHoA
Hospital Performance Improvement	Dexter D. Guillermo
Clinical Safety & Risk Management	Mary Grace U. Sta. Ana, DMD
Patient Relations	Jan Stephen R. Capiral
Medical Records Management	Riezl A. De Leon, DMD

PROCUREMENT

Department Manager	Ma. Fleurdeliz C. Atienza
Facilities & Medical Equipment	Agnes Josephine B. Ortonio
Medicine & Medical Supplies, Administrative IT	Marivic T. Zamora
Vendor Management	Roy G. De Guzman

INTERNAL AUDIT

TBA

FINANCIAL REPORT **2022**

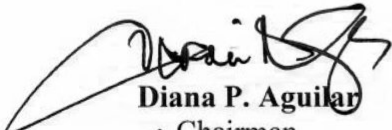


AUDIT COMMITTEE REPORT

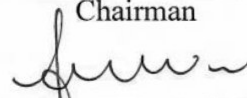
To The Securities and Exchange Commission
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

Further to our compliance with applicable corporate governance laws and rules, we confirm for 2022 that:

- In the performance of our oversight responsibilities, we have reviewed and discussed the audited financial statements of Medical Doctors, Inc. and Subsidiaries, or MDI Group, as of and for the year ended December 31, 2022 with MDI Group's management, which has the primary responsibility for the financial statements.
- We have discussed with MDI Group's internal audit group and Isla Lipana & Co. the overall scope and plans for their respective audits. We also met with MDI Group's internal audit group and representatives from Isla Lipana & Co. to discuss the results of their examinations, their evaluations of MDI Group's internal controls and the overall quality of MDI Group's financial reporting; and
- Based on the reviews and discussions referred to above, we recommend to the Board of Directors and the Board has approved, the inclusion of MDI Group's financial statements as of and for the year ended December 31, 2022 in MDI Group's Annual Report to the Stockholders and to the SEC on Form 17-A.



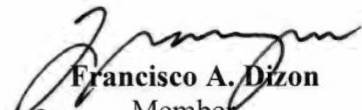
Diana P. Aguilar
Chairman



Francisco S.A. Sandejas
Member



Jose Ma. K. Lim
Member



Francisco A. Dizon
Member



Dr. Benjamin N. Alimurung, MD
Member

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Medical Doctors, Inc. and its Subsidiary (the "Group") is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, as at December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020, in accordance with the prescribed financial reporting indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein and submits the same to the stockholders.

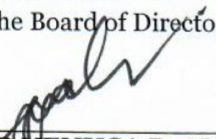
Isla Lipana & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signed under oath by the following:



MANUEL V. PANGILINAN

Chairman of the Board of Directors



ATTY. PILAR NENUCA P. ALMIRA

President & Chief Executive Officer



ARNOLD C. OCAMPO

SVP Finance & Chief Finance Officer

March 27, 2023

Independent Auditor's Report

To the Board of Directors and Shareholders of
Medical Doctors, Inc.
2 Amorsolo corner dela Rosa Streets
Legaspi Village, Makati City

Report on the Audits of the Consolidated Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Medical Doctors, Inc. (the "Parent Company") and its subsidiary (together, the "Group") as at December 31, 2022 and 2021, and their consolidated financial performance and their consolidated cash flows for each of the three years in the period ended December 31, 2022 in accordance with Philippine Financial Reporting Standards (PFRS).

What we have audited

The consolidated financial statements of the Group comprise:

- the consolidated statements of financial position as at December 31, 2022 and 2021;
- the consolidated statements of income for each of the three years in the period ended December 31, 2022;
- the consolidated statements of total comprehensive income for each of the three years in the period ended December 31, 2022;
- the consolidated statements of changes in equity for each of the three years in the period ended December 31, 2022;
- the consolidated statements of cash flows for each of the three years in the period ended December 31, 2022; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 17-A and Annual Report for the year ended December 31, 2022, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 17-A and Annual Report for the year ended December 31, 2022 is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability of each entity within the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each entity within the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an entity within the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report
To the Board of Directors and Shareholders of
Medical Doctors, Inc.
Page 4

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Isla Lipana & Co.



Jan Michael L. Reyes
Partner

CPA Cert. No. 104972

PTR No. 0011393, issued on January 9, 2023, Makati City

SEC A.N. (individual) as general auditors 104972-SEC, Category A;
valid to audit 2020 to 2024 financial statements

SEC A.N. (firm) as general auditors 0142-SEC, Category A;
valid to audit 2020 to 2024 financial statements

TIN 215-692-059

BIR A.N. 08-000745-142-2022; issued on January 25, 2022; effective until January 24, 2025

BOA/PRC Reg. No. 0142, effective until November 14, 2025

Makati City
March 29, 2023

Medical Doctors, Inc. and Subsidiary

Consolidated Statements of Financial Position

As at December 31, 2022 and 2021

(All amounts in thousands of Philippine Peso)

	Notes	2022	2021
<u>ASSETS</u>			
Current assets			
Cash and cash equivalents	2	1,770,229	597,867
Receivables, net	3	814,875	1,290,038
Inventories, net	4	290,125	276,037
Prepayments and other current assets	5	25,085	21,992
Total current assets		2,900,314	2,185,934
Non-current assets			
Property and equipment, net	6	8,965,657	9,313,701
Other non-current assets		169,834	136,686
Total non-current assets		9,135,491	9,450,387
Total assets		12,035,805	11,636,321
<u>LIABILITIES AND EQUITY</u>			
Current liabilities			
Trade and other payables	7	1,293,007	1,140,415
Provision for claims	10	60,306	39,776
Income tax payable		61,301	77,304
Borrowings, current portion	8	-	110,000
Dividends payable	12	41,204	157,704
Lease liabilities, current portion	21.2	121,404	105,207
Other current liabilities		20,755	15,151
Total current liabilities		1,597,977	1,645,557
Non-current liabilities			
Borrowings, net of current portion	8	-	45,000
Provisions	10	192,588	145,950
Retirement benefit obligation	11	487,089	537,917
Deferred income tax liabilities, net	17	746,123	789,362
Lease liabilities, net of current portion	21.2	76,056	183,543
Total non-current liabilities		1,501,856	1,701,772
Total liabilities		3,099,833	3,347,329
Equity			
Equity attributable to owners of the Parent Company			
Share capital	12	342,862	342,862
Capital in excess of par value	12	1,701,610	1,701,610
Treasury shares	12	(15,036)	(15,036)
Revaluation surplus	19	3,294,725	3,304,443
Remeasurements on retirement benefits	11	1,464	(92,247)
Retained earnings		3,586,865	3,023,834
		8,912,490	8,265,466
Non-controlling interest		23,482	23,527
Total equity		8,935,972	8,288,993
Total liabilities and equity		12,035,805	11,636,322

(The notes on pages 1 to 57 are an integral part of these consolidated financial statements.)

Medical Doctors, Inc. and Subsidiary

Consolidated Statements of Income
For each of the three years in the period ended December 31, 2022
(All amounts in thousands of Philippine Peso except for earnings per share)

	Notes	2022	2021	2020
Gross revenues	13	8,440,818	7,663,465	6,308,103
Discounts and free services	14	(1,050,334)	(976,580)	(741,129)
Net revenues		7,390,484	6,686,885	5,566,974
Cost of services	15	(4,167,454)	(4,231,295)	(3,958,146)
Gross profit		3,223,030	2,455,590	1,608,828
Administrative expenses	15	(2,184,711)	(1,715,783)	(1,656,286)
Other income (loss), net	16	36,489	(7,198)	94,577
Profit from operations		1,074,808	732,609	47,119
Finance costs	8, 21.2	(23,189)	(40,294)	(52,351)
Profit (loss) before income tax		1,051,619	692,315	(5,232)
Income tax expense	17	(265,148)	(219,457)	(364)
Profit (loss) for the year		786,471	472,858	(5,596)
Profit (loss) attributable to:				
Owners of the Parent Company		786,516	473,150	(5,555)
Non-controlling interest		(45)	(292)	(41)
Profit (loss) for the year		786,471	472,858	(5,596)
Earnings (loss) per share on profit for the year attributable to owners of the Parent Company				
Basic and diluted earnings per share	18	229.92	138.31	(1.63)

(The notes on pages 1 to 57 are an integral part of these consolidated financial statements.)

Medical Doctors, Inc. and Subsidiary

Consolidated Statements of Total Comprehensive Income
For each of the three years in the period ended December 31, 2022
(All amounts in thousands of Philippine Peso)

	Notes	2022	2021	2020
Profit (loss) for the year		786,471	472,858	(5,596)
Other comprehensive (loss) income				
Items that will not be reclassified to profit or loss				
Remeasurements on retirement benefits	11	124,947	112,800	(129,499)
Deferred tax on remeasurements on retirement benefits	11,17	(31,236)	(33,840)	38,850
Deferred tax adjustment on remeasurements on retirement benefits	17	-	(6,150)	-
Deferred tax adjustment on land and buildings and building improvements appraisal	17	-	222,570	-
Total other comprehensive income (loss) for the year		93,711	295,380	(90,649)
Total comprehensive income (loss) for the year		880,182	768,238	(96,245)
Attributable to:				
Owners of the Parent Company		880,227	768,530	(96,204)
Non-controlling interest		(45)	(292)	(41)
Total comprehensive income (loss) for the year		880,182	768,238	(96,245)

(The notes on pages 1 to 57 are an integral part of these consolidated financial statements.)

Medical Doctors, Inc. and Subsidiary

Consolidated Statements of Changes in Equity (continued)
For each of the three years in the period ended December 31, 2022
(All amounts in thousands of Philippine Peso)

	Attributable to equity holders of the Parent Company								Non-controlling interest	Total equity
	Share capital (Note 12)	Capital in excess of par value (Note 12)	Treasury shares (Note 12)	Revaluation surplus (Note 19)	Remeasurements on retirement benefit (Note 11)	Retained earnings (Note 12)		Total		
						Appropriated	Unappropriated			
Balances as at December 31, 2021	342,862	1,701,610	(15,036)	3,304,443	(92,247)	600,000	2,423,834	8,265,466	23,527	8,288,993
Comprehensive income										
Profit (loss) for the year	-	-	-	-	-	-	786,516	786,516	(45)	786,471
Other comprehensive income, net of tax										
Remeasurements on retirement benefits	-	-	-	-	93,711	-	-	93,711	-	93,711
Total comprehensive income (loss) for the year	-	-	-	-	93,711	-	786,516	880,227	(45)	880,182
Depreciation transfer of revaluation surplus	-	-	-	(9,718)	-	-	12,957	3,239	-	3,239
Transactions with shareholders										
Dividends declared (Note 12)	-	-	-	-	-	-	(236,442)	(236,442)	-	(236,442)
Balances as at December 31, 2022	342,862	1,701,610	(15,036)	3,294,725	1,464	600,000	2,986,865	8,912,490	23,482	8,935,972

(The notes on pages 1 to 57 are an integral part of these consolidated financial statements.)

Medical Doctors, Inc. and Subsidiary
Consolidated Statements of Changes in Equity (continued)
For each of the three years in the period ended December 31, 2022
(All amounts in thousands of Philippine Peso)

	Attributable to equity holders of the Parent Company								Non-controlling interest	Total equity
	Share capital (Note 12)	Capital in excess of par value (Note 12)	Treasury shares (Note 12)	Revaluation surplus (Note 19)	Remeasurements on retirement benefit (Note 11)	Retained earnings (Note 12)				
						Appropriated	Unappropriated	Total		
Balances as at December 31, 2020	342,862	1,701,610	(15,036)	3,091,590	(165,057)	600,000	2,222,708	7,778,677	23,819	7,802,496
Comprehensive income										
Profit (loss) for the year	-	-	-	-	-	-	473,150	473,150	(292)	472,858
Other comprehensive income, net of tax										
Deferred tax adjustment (Notes 17 and 19)	-	-	-	222,570	(6,150)	-	-	216,420	-	216,420
Remeasurements on retirement benefits	-	-	-	-	78,960	-	-	78,960	-	78,960
Total comprehensive income (loss) for the year	-	-	-	222,570	72,810	-	473,150	768,530	(292)	768,238
Depreciation transfer of revaluation surplus	-	-	-	(9,717)	-	-	12,958	3,241	-	3,241
Transactions with shareholders										
Dividends declared (Note 12)	-	-	-	-	-	-	(284,982)	(284,982)	-	(284,982)
Balances as at December 31, 2021	342,862	1,701,610	(15,036)	3,304,443	(92,247)	600,000	2,423,834	8,265,466	23,527	8,288,993

(The notes on pages 1 to 57 are an integral part of these consolidated financial statements.)

Medical Doctors, Inc. and Subsidiary
Consolidated Statements of Changes in Equity
For each of the three years in the period ended December 31, 2022
(All amounts in thousands of Philippine Peso)

	Attributable to equity holders of the Parent Company								Non-controlling interest	Total equity
	Share capital (Note 12)	Capital in excess of par value (Note 12)	Treasury shares (Note 12)	Revaluation surplus (Note 19)	Remeasurements on retirement benefit (Note 11)	Retained earnings (Note 12)				
						Appropriated	Unappropriated	Total		
Balances as at January 1, 2020	342,712	1,698,324	(15,036)	3,100,677	(74,408)	600,000	2,215,285	7,867,554	23,860	7,891,414
Comprehensive income										
Loss for the year	-	-	-	-	-	-	(5,555)	(5,555)	(41)	(5,596)
Other comprehensive loss, net of tax										
Remeasurements on retirement benefits	-	-	-	-	(90,649)	-	-	(90,649)	-	(90,649)
Total comprehensive loss for the year	-	-	-	-	(90,649)	-	(5,555)	(96,204)	(41)	(96,245)
Depreciation transfer of revaluation surplus	-	-	-	(9,087)	-	-	12,978	3,891	-	3,891
Transactions with shareholders										
Issuance of common shares (Note 12)	150	3,286	-	-	-	-	-	3,436	-	3,436
Balances as at December 31, 2020	342,862	1,701,610	(15,036)	3,091,590	(165,057)	600,000	2,222,708	7,778,677	23,819	7,802,496

(The notes on pages 1 to 57 are an integral part of these consolidated financial statements.)

Medical Doctors, Inc. and Subsidiary

Consolidated Statements of Cash Flows For each of the three years in the period ended December 31, 2022 (All amounts in thousands of Philippine Peso)

	Notes	2022	2021	2020
Cash flows from operating activities				
Profit (loss) before income tax		1,051,619	692,315	(5,232)
Adjustments for:				
Provision for impairment of receivables	3, 15	273,899	275,362	217,272
Provision for inventory losses	4	22,824	12,930	13,676
Depreciation and amortization	6, 15	666,043	664,840	631,425
Finance costs	8, 21.2	23,189	40,294	52,351
(Gain) loss on disposal of property and equipment	16	(76)	3,266	2,148
Interest income	2, 16	(4,485)	(2,141)	(2,816)
Unrealized foreign exchange (gain) loss	20	(4,757)	(791)	2,038
Reversal of long outstanding payables	16	-	-	(17,315)
Operating income before working capital changes		2,028,256	1,686,075	893,547
(Increase) decrease in:				
Receivables		209,837	(552,891)	(316,537)
Inventories		(36,912)	(7,911)	61,022
Prepayments and other current assets		(83,434)	(23,176)	(1,889)
Increase (decrease) in current liabilities:				
Trade and other payables		169,438	(2,456)	64,054
Other current liabilities		5,604	(85)	258
Increase in other non-current assets		(1,437)	(7,654)	(2,111)
Increase in provisions		67,168	80,773	1,030
Increase in retirement benefit obligation	11	92,120	94,187	76,817
Cash from operations		2,450,640	1,266,862	776,191
Interest received		4,485	2,141	2,865
Income taxes paid		(272,537)	(138,772)	(81,059)
Contribution to the plan asset		(18,000)	(224)	(10,000)
Net cash from operating activities		2,164,588	1,130,007	687,997
Cash flows from investing activities				
Payments for property and equipment	6	(343,069)	(362,673)	(559,271)
Advances made to suppliers for equipment		(31,221)	18,215	(20,740)
Proceeds from disposal of property and equipment		76	159	150
Net cash used in investing activities		(374,214)	(344,299)	(579,861)
Cash flows from financing activities				
Borrowings paid	8	(155,000)	(285,500)	(274,000)
Payment of interest on borrowings	8	(4,709)	(17,666)	(25,918)
Proceeds from borrowings	8	-	-	200,000
Dividends paid	12	(352,942)	(164,331)	(130,354)
Proceeds from issuance of share capital	12	-	-	3,436
Payment of principal portion of lease liability	21.2	(91,290)	(86,299)	(73,812)
Payment of interest on lease	21.2	(18,828)	(23,904)	(29,650)
Net cash used in financing activities		(622,769)	(577,700)	(330,298)
Net increase (decrease) in cash and cash equivalents		1,167,605	208,008	(222,162)
Cash and cash equivalents, January 1		597,867	389,068	613,268
Effect of exchange rate changes on cash and cash equivalents		4,757	791	(2,038)
Cash and cash equivalents, December 31	2	1,770,229	597,867	389,068

(The notes on pages 1 to 57 are an integral part of these consolidated financial statements.)

Medical Doctors, Inc. and Subsidiary

Notes to the Consolidated Financial Statements

As at December 31, 2022 and 2021 and for each of the three years

in the period ended December 31, 2022

(In the notes, all amounts are shown in thousands of Philippine Peso unless otherwise stated)

Note 1 - General information

Medical Doctors, Inc. (the “Parent Company”) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on April 23, 1963. On April 5, 2013, the Parent Company’s articles of incorporation have been amended to extend the corporate term for another fifty years from and after the expiration of its original term on April 24, 2013. Its primary purpose is to establish, operate, manage and own a hospital or hospitals, medical and chemical clinics and/or laboratories and such other enterprises that may have similar undertakings. The Parent Company operates under the trade name of Makati Medical Center (the “Hospital”). The Parent Company is registered as an “Existing and Expanding Operator of Tertiary Care Hospital”, in pioneer status.

On December 31, 1970, the Parent Company attained its status of being a “public company”. The Parent Company is considered a public company under Rule 3.1 of the Implementing Rules and Regulations of the Securities Regulation Code, which, among others, defines a public corporation as any corporation with assets of at least P50 million and having 200 or more shareholders, each of whom holds at least 100 shares of its equity securities. As at December 31, 2022 the Parent Company has 1,120 shareholders (2021 - 1,106) each holding at least 100 shares of the Parent Company’s common shares.

The Parent Company’s major shareholders consist of local companies and individual medical practitioners, with percentages of ownership as at December 31, 2022 and 2021 as follows::

Metro Pacific Hospital Holdings, Inc.	33.38%
Associated Holdings, Inc.	4.76%
Dr. Remedios Suntay	3.48%
San Miguel Corporation	2.44%
Dr. Benjamin N. Alimurung	1.38%
	45.44%

As at December 31, 2022 and 2021, the remaining 54.56% of the Parent Company’s issued and outstanding shares are held by private individuals, local companies and practicing doctors of the Hospital. Of the total 3,420,737 outstanding shares in 2022, 212,057 shares or 6.20% are owned by the Parent Company’s directors, officers and employees (2021 - 3,420,737 outstanding shares, 215,056 shares or 6.29%).

At December 31, 2022 and 2021, the Parent Company owns 60% of the shares of stocks of Computerized Imaging Institute, Inc. (CIII). CIII was incorporated and registered with the Philippine SEC on February 12, 1978 primarily to establish, operate, manage, own and maintain a tomography center and provide professional medical and surgical services and other similar undertakings.

On October 5, 2018, CIII’s Board of Directors (BOD) decided to cease the company’s operations given the deteriorating financial situation. In 2019, CIII sold its property and equipment, settled most of its payables and liquified all assets including the collection of the receivables. However, CIII’s operations will remain dormant until the BOD develops a more viable business model that best complements the operations of its Parent Company.

The Parent Company and CIII, its subsidiary, are collectively referred to as the “Group”.

The Parent Company has its registered office address, which is also its principal place of business, at 2 Amorsolo corner dela Rosa Streets, Legaspi Village, Makati City. CIII's registered business address is at G/F, Makati Medical Center, 2 Amorsolo corner dela Rosa Streets, Legaspi Village, Makati City.

The Group has a total of 3,015 regular employees as at December 31, 2022 (2021 - 2,617).

These consolidated financial statements have been approved and authorized for issuance by the Parent Company's BOD on March 27, 2023.

Impact of the COVID-19 pandemic

The Parent Company consistently implemented health and safety protocols within its operations to prevent the spread of the virus. During 2021, lower restrictions were implemented by the government due to the vaccination rollout and the decreasing rate of infection in the community. For the year ended December 31, 2021, the gradual easing of community quarantine restrictions by the government resulted in positive financial results of the Parent Company as patients resumed visits to the hospital, in addition to the increased revenue from COVID-19 patients as a result of case surges.

Management has assessed that the financial position and results as at and for the years ended December 31, 2022 and 2021 reflected better financial and operational performance. This is mainly driven by recovery of revenue from non-COVID-19 related cases as community quarantine restrictions are fully lifted in 2022 and the Parent Company also being better prepared to handle surge of COVID-19 cases if ever and the close monitoring of expenses vis-à-vis increasing patient census. Any medium to long-term impact of the pandemic on the Parent Company's financial position, results, and cash flows cannot be ascertained yet given the uncertainties surrounding the COVID-19 pandemic.

Management has assessed that the COVID-19 pandemic does not have a significant impact on CIII's financial position and results as at and for the years ended December 31, 2022 and 2021 considering the dormant status of operations.

Note 2 - Cash and cash equivalents

Cash and cash equivalents as at December 31 consist of:

	2022	2021
Cash on hand	836	826
Cash in banks	969,393	597,041
Short-term cash placements	800,000	-
	1,770,229	597,867

Short-term cash placements as at December 31, 2022 pertain to time deposits with local banks with maturity of less than three months and earn annual interest at rates ranging from 1.25% to 5.75% in 2022.

Interest income for cash deposits in banks, short-term cash placements and restricted cash (Note 23.1) for the year ended December 31, 2022 amounted to P4,485 (2021 - P2,141 interest from cash deposits in bank and restricted cash; 2020 - P2,816 interest from cash deposits in bank and restricted cash) (Note 16).

Restricted cash amounting to P94,586 as at December 31, 2022 and 2021 is presented as part of other non-current assets in the consolidated statements of financial position. These are earmarked for a specific use and are therefore not available for general use by the Group.

(2)

Note 3 - Receivables, net

Receivables, net as at December 31 consist of:

	Note	2022	2021
Patient receivables		1,377,212	1,704,007
Allowance for impairment of patient receivables		(619,890)	(479,150)
Net patient receivables		757,322	1,224,857
Receivables from employees and officers		25,635	20,768
Receivables from pharmaceutical and medical companies		11,353	20,567
Rent receivable	21.2	9,596	13,930
Receivable from a regulatory agency		8,714	7,725
Construction bond		400	400
Other receivables		2,819	2,755
		58,517	66,145
Allowance for impairment of other receivables		(964)	(964)
Net other receivables		57,553	65,181
		814,875	1,290,038

Patient receivables arise from healthcare, accommodation and other ancillary services which are generally on a 15-60-day credit term. As at December 31, 2022, the carrying amount of patient receivables is net of professional fees billed on behalf of doctors as required by BIR Revenue Regulation No. 14-2013 amounting to P681,322 (2021 - P694,331). Such amounts, net of payment to doctors, are treated as liability upon collection and presented under professional fees collected on behalf of doctors within trade and other payables (Note 7).

Receivables from pharmaceutical and medical companies are generally on a 30-day credit term. Receivables from employees and officers pertain to non-interest-bearing cash advances which are settled through liquidation.

Construction bond pertains to the amounts deposited to contractors on certain constructions which will be returned to the Parent Company upon completion of said projects.

Other receivables pertain mainly to the Parent Company's receivables from private companies for doctors' retainer arrangements, affiliation and training fees from practicing doctors and residents and advances to Makati Medical Center Foundation, Inc.

The Group's receivables are all denominated in Philippine Peso.

There is no concentration of credit risk with respect to patient receivables as the Group has a large number of both individual and corporate customers.

The movements in allowance for impairment of receivables for the years ended December 31 are as follows:

	Note	2022	2021
Allowance for impairment of:			
Patient receivables		479,150	359,331
Other receivables		964	964
Beginning of the year		480,114	360,295
Provision during the year	15	273,899	275,362
Write-off		(133,159)	(155,543)
End of the year		620,854	480,114

(3)

The Parent Company has written-off fully provided patient receivables after the Parent Company has exhausted all possible means of account recovery and has determined that the patients involved no longer have capacity to pay and most of the patients have already absconded.

Critical accounting estimate: Expected credit losses (ECL) on receivables

ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Group has used relevant historical information and loss experience to determine the probability of default of the instruments and incorporated forward-looking information, including significant changes in external market indicators which involved significant estimates and judgments.

In determining the ECL of patient receivables, the Parent Company has used five years of historical losses data to determine the loss rate and applied an adjustment against the historical loss rate based on the gross domestic product, consumer price index, unemployment rate, and inflation to reflect the current and forward-looking information (Note 23.2.2).

The Parent Company also evaluates specific patients and/or debtors who are unable to meet their financial obligations. In these cases, management uses judgment based on the best available facts and circumstances, including but not limited to, the length of relationship with the patients and the patients' payment history.

Any change in the Parent Company's assessment of collectability of receivables could impact the recorded carrying amount of receivables and related allowance for impairment.

Note 4 - Inventories, net

Inventories, net as at December 31 consist of:

	2022	2021
Pharmaceutical products	177,364	155,066
Laboratory and other hospital supplies	121,245	122,666
Office and housekeeping supplies	9,989	11,235
	308,598	288,967
Allowance for inventory losses	(18,473)	(12,930)
	290,125	276,037

Inventories are stated at cost less allowance for inventory losses, which is lower than the net realizable value. The cost of inventories recognized as expense and included in the cost of services amounted to P1,824,398 in 2022 (2021 - P1,854,704; 2020 - P1,835,719) (Note 15).

The movements in allowance for inventory losses for the years ended December 31 are as follows:

	2022	2021
Beginning of the year	12,930	13,676
Provision during the year	22,824	12,930
Write-off	(17,281)	(13,676)
End of the year	18,473	12,930

For the year ended December 31, 2022, provision for inventory losses amounting to P22,824 (2021 - P12,930) has been recognized for expired and near expiry medicines and medical supplies and is presented as part of drugs, medicines and supplies expenses (Note 15).

(4)

Write-off pertains to expired inventories which are either disposed or returned by the Parent Company to pharmaceutical companies.

Note 5 - Prepayments and other current assets

Prepayments and other current assets as at December 31 consist of:

	2022	2021
Prepaid expenses	22,848	20,007
Advances to suppliers	2,237	1,985
	25,085	21,992

Prepaid expenses include payments for advance rental, employee uniforms and subscription, insurance, computer programs support and building dues.

(5)

Note 6 - Property and equipment, net

Property and equipment, net as at December 31 consist of:

	At revalued amounts		At cost					
	Land	Buildings and building improvements	Medical equipment, tools and instruments	Hospital furnishings, fixtures and office equipment	Leasehold improvements	Office and parking spaces (Note 21.2)	Construction-in-progress	Total
As at January 1, 2022								
Cost or revalued amount	4,063,136	5,050,131	3,988,390	1,829,933	267,030	498,263	54,075	15,750,958
Accumulated impairment	-	-	(13,397)	-	-	-	-	(13,397)
Accumulated depreciation and amortization	-	(1,882,053)	(2,851,167)	(1,347,413)	(100,050)	(243,177)	-	(6,423,860)
Net carrying value	4,063,136	3,168,078	1,123,826	482,520	166,980	255,086	54,075	9,313,701
For the year ended December 31, 2022								
Opening net carrying value	4,063,136	3,168,078	1,123,826	482,520	166,980	255,086	54,075	9,313,701
Additions	-	-	177,230	78,831	-	-	61,938	317,999
Transfer and reclassification	-	16,326	-	11,195	54,289	-	(81,810)	-
Depreciation and amortization, at cost	-	(162,035)	(241,293)	(130,108)	(30,982)	(88,668)	-	(653,086)
Depreciation, at appraisal (Note 19)	-	(12,957)	-	-	-	-	-	(12,957)
Disposals:								
Cost	-	-	(16,713)	(9,854)	-	-	-	(26,567)
Accumulated depreciation	-	-	16,713	9,854	-	-	-	26,567
Closing net carrying value	4,063,136	3,009,412	1,059,763	442,438	190,287	166,418	34,203	8,965,657
As at December 31, 2022								
Cost or revalued amount	4,063,136	5,066,457	4,148,907	1,910,105	321,319	498,263	34,203	16,042,390
Accumulated impairment	-	-	(13,397)	-	-	-	-	(13,397)
Accumulated depreciation and amortization	-	(2,057,045)	(3,075,747)	(1,467,667)	(131,032)	(331,845)	-	(7,063,336)
Net carrying value	4,063,136	3,009,412	1,059,763	442,438	190,287	166,418	34,203	8,965,657

Note 6 - Property and equipment, net (continued)

Property and equipment, net as at December 31 consist of:

	At revalued amounts		At cost					
	Land	Buildings and building improvements	Medical equipment, tools and instruments	Hospital furnishings, fixtures and office equipment	Leasehold improvements	Office and parking spaces (Note 21.2)	Construction-in-progress	Total
As at January 1, 2021								
Cost or revalued amount	4,063,136	4,932,443	3,887,738	1,728,018	267,030	463,400	86,104	15,427,869
Accumulated impairment	-	-	(13,397)	-	-	-	-	(13,397)
Accumulated depreciation and amortization	-	(1,685,930)	(2,653,540)	(1,224,854)	(100,050)	(159,850)	-	(5,824,224)
Net carrying value	4,063,136	3,246,513	1,220,801	503,164	166,980	303,550	86,104	9,590,248
For the year ended December 31, 2021								
Opening net carrying value	4,063,136	3,246,513	1,220,801	503,164	166,980	303,550	86,104	9,590,248
Additions	-	829	160,666	53,138	-	34,863	142,222	391,718
Transfer and reclassification	-	116,859	-	57,392	-	-	(174,251)	-
Depreciation and amortization, at cost	-	(183,164)	(254,243)	(131,147)	-	(83,327)	-	(651,881)
Depreciation, at appraisal (Note 19)	-	(12,959)	-	-	-	-	-	(12,959)
Disposals:								
Cost	-	-	(60,014)	(8,615)	-	-	-	(68,629)
Accumulated depreciation	-	-	56,616	8,588	-	-	-	65,204
Closing net carrying value	4,063,136	3,168,078	1,123,826	482,520	166,980	255,086	54,075	9,313,701
As at December 31, 2021								
Cost or revalued amount	4,063,136	5,050,131	3,988,390	1,829,933	267,030	498,263	54,075	15,750,958
Accumulated impairment	-	-	(13,397)	-	-	-	-	(13,397)
Accumulated depreciation and amortization	-	(1,882,053)	(2,851,167)	(1,347,413)	(100,050)	(243,177)	-	(6,423,860)
Net carrying value	4,063,136	3,168,078	1,123,826	482,520	166,980	255,086	54,075	9,313,701

The cost of fully depreciated assets still in use by the Group at December 31, 2022 amounted to P3,226,191 (2021 - P2,692,391).

Depreciation and amortization expense for each of the three years in the period ended December 31 is charged to profit or loss is as follows (Note 15):

	2022	2021	2020
Cost of services	403,328	410,488	398,624
Administrative expenses	262,715	254,352	232,801
	666,043	664,840	631,425

Details of the Group's unpaid acquisitions of property and equipment for the years ended December 31 are as follows:

	2022	2021
Beginning of the year	108,127	79,082
Acquisitions	317,999	391,718
Payments	(343,069)	(362,673)
End of the year	83,057	108,127

Unpaid acquisitions of property and equipment are disclosed as part of trade payables (Note 7).

6.1 *Right-of-use assets*

Additions to office and parking spaces pertaining to new leases entered into by the Parent Company for the year ended December 31, 2022 and 2021 are treated as right-of-use assets in accordance with PFRS 16 (Note 21.2).

6.2 *Mortgaged properties*

Borrowings at December 31, 2021 are secured by a land owned by the Parent Company through a Mortgage Trust Indenture (MTI) (Note 8). As at December 31, 2022 and 2021, the fair value of the land as appraised by an independent appraiser amounted to P4.063 billion.

6.3 *Construction-in-progress*

Construction-in-progress consists of costs incurred for the renovation of the Hospital's main building and various improvements for its leased office spaces.

There were no capitalized borrowing costs as at December 31, 2022 and 2021 as the ongoing constructions of the Parent Company are not considered as qualifying assets.

Critical accounting estimate: Estimated useful lives of property and equipment

The useful life of each item of the Parent Company's property and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of practices of similar business, internal technical evaluation and experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset.

It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any property and equipment would increase the recorded expenses and decrease non-current assets.

(8)

Critical judgment: Recoverability of property and equipment

The carrying value of property and equipment is reviewed and assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Changes in those assessment and judgment could have a significant effect on the carrying value of property and equipment and the amount and timing of recorded provision for any period.

Management believes, based on facts and circumstances at December 31, 2022 and 2021, that there are no indicators that the remaining carrying amount of property and equipment may not be recoverable.

6.4 Appraisal of land and buildings and building improvements

The fair values of the land and buildings and building improvements were based on the latest appraisal report dated October 17, 2019 determined by Cuervo Appraisers, Inc. using combination of market and cost approach.

The Parent Company's land in Makati City where the Hospital is located has original cost of P600. Total land area is approximately 12,320 square meters. The land is carried at fair value as appraised on various dates as follows:

Date of appraisal	Appraised value (in Million Pesos)
May 1, 1990	739
October 11, 2001	3,080
December 5, 2003	2,464
January 2, 2007	2,464
October 31, 2008	2,464
November 17, 2011	2,661
November 15, 2016	2,957
October 17, 2019	4,063

Based on the latest appraisal report, the appraised value for the Parent Company's buildings and building improvements amounted to P2,911,761. The appraisal is recognized as addition to revaluation surplus in the statements of total comprehensive income and in the statements of changes in equity for the year ended December 31, 2019. If the buildings and building improvements (both carried at revalued amounts) were stated at historical cost, the net carrying values as at December 31, 2022 would amount to P2,376,250 (2021 - P2,446,304).

The revaluation surplus from the foregoing assets, shown net of DIT liability, included in equity at December 31 is as follows (Note 19):

	2022	2021
Land	3,046,902	3,046,902
Buildings and building improvements	247,823	257,541
	3,294,725	3,304,443

Valuation techniques

Taking into account the most recent independent valuations, the Group updates their assessment of the fair value of the land and buildings and building improvements. The Group determines that the said properties were valued within a range of reasonable fair value estimates where all resulting fair value estimates are categorized as fair value measurements using significant unobservable inputs (Level 3).

(9)

Fair values of land have been derived using the market approach. In market approach, the value of the land is based on recorded sales and listings (or asking prices) of comparable property registered within the vicinity. The most significant input into this valuation approach is price per square meter. Adjustments are then made to reflect factors affecting the value such as property location, desirability, neighborhood, utility, size and the time element involved.

Fair values of buildings and building improvements have been derived using cost approach. Under this approach, an estimate is made of the current cost of reproduction of the buildings in accordance with the prevailing market prices of materials, labor, contractor's overhead, profit and fees. Adjustments are then made to reflect depreciation resulting from physical deterioration and functional or economic obsolescence.

Fair value measurements of buildings and building improvements using significant unobservable inputs (Level 3) as at December 31 are as follows:

	2022	2021
Beginning of the year	3,168,078	3,246,513
Depreciation	(174,992)	(196,123)
Additions, transfer and reclassification	16,326	117,688
End of the year	3,009,412	3,168,078

Valuation process of the Group

The external valuations of the land and buildings and building improvements have been performed using unobservable inputs. The external valuer, in discussion with the Finance team, has adopted the Sales Comparison Approach and Modified Quantity Survey Method to estimate the value of the land and the cost of reproduction of the buildings, respectively.

The Sales Comparison Approach in estimating the market value of the land requires an analysis of the physical features of the land, the locational attributes, the availability of public services, and the quality of adjacent improvements that affect the market value of the land. Once a comparable property is identified that is similar with respect to physical, locational, and neighborhood features, an adjustment is made to compensate for any differences. Other aspects of comparability are also examined such as market conditions at the time of sale for the comparable properties, the financing used in the purchase and the property rights transferred.

The Modified Quantity Survey Method requires an analysis of the buildings by breaking them down into major components such as foundation, columns, beams, floorings, walls, roofing, etc. using workable units such as lineal meter, square meter, cubic meter or other appropriate basic unit.

Bills of quantities for each building component using the appropriate unit are prepared and related to the unit cost for each component developed on the basis of current costs of material, labor, plant and equipment prevailing in the locality to arrive at the direct costs of the buildings, whereupon indirect costs such as contractor's profit, overhead, taxes and fees and other related expenses are then added.

Valuations are performed with sufficient regularity at least once every three (3) to five (5) years enough to ensure that the fair value of the revalued asset does not differ significantly from its carrying value.

(10)

Information about fair value measurements as at December 31, 2022 and 2021 using significant unobservable inputs (Level 3) - Land

Valuation technique	Unobservable inputs	Cost per unobservable inputs	Relationship of unobservable inputs to fair value	Amount
Sales comparison approach	Price per square meter	P450- 489/ square meter	The higher the cost per square meter, the higher the fair value	4,063,136
	Locational attributes	0 to 10%	The higher the rate, the lower the fair value	
	Area of land (size)	-13% to -18%	The greater the area, the less incremental area cost to develop, the lower the fair value	

Information about fair value measurements as at December using significant unobservable inputs (Level 3) - Building and building improvements

Valuation technique	Unobservable inputs	Cost per unobservable inputs	Relationship of unobservable inputs to fair value	2022	2021
Cost approach	Cost per square meter	P31/square meter (2021 - P32/ square meter)	The higher the cost per unit, the higher the fair value	2,686,288	2,761,445

The sensitivity of the land and buildings and building improvements carried at fair value to changes in the significant unobservable inputs as at December 31 is as follows:

	Impact on		
	Change in cost per square meter	Property and equipment	Profit before tax
2022			
Land	+/- 5%	+/- 203,157	-
Buildings and building improvements	+/- 5%	+/- 150,471	+/- 8,750
2021			
Land	+/- 5%	+/- 203,157	-
Buildings and building improvements	+/- 5%	+/- 158,404	+/- 9,806

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Critical accounting estimate: Fair value estimation of land and buildings and building improvements

In determining the fair value of land and buildings, the Group, through the professional services of the independent appraisers, utilized a combination of market and cost approach. In market approach, the value of the land is based on recorded sales and listings (or asking prices) of comparable property registered within the vicinity. The technique of this approach requires the establishing of comparable property by reducing reasonable comparative sales and listings to a common denominator. Meanwhile, the value of the buildings and building improvements was arrived at using the cost approach. Under this approach, an estimate is made of the current cost of reproduction of the buildings in accordance with the prevailing market prices of materials, labor, contractor's overhead, profit and fees. Adjustments are then made to reflect depreciation resulting from physical deterioration and functional or economic obsolescence.

(11)

Critical accounting judgment: Frequency of valuations

Valuations are performed by an independent valuer having an appropriate recognized professional qualification. Valuations are completed in accordance with the Group's accounting policy, which is prepared in accordance with PFRS. While PFRS does not specifically mandate the frequency of valuation to be performed, management assesses the need to obtain an independent valuation report based on movements in the fair value of land. Where the fair value at the balance sheet date differs materially from its carrying amount (i.e., more than 10% change in value), obtaining an independent valuation is necessary. If there is no indication that the movements in the fair value of land is materially different from its carrying amount, management obtains an independent valuation once every three to five years.

Note 7 - Trade and other payables

Trade and other payables as at December 31 consist of:

	Notes	2022	2021
Trade payables		455,366	435,141
Funds collected on behalf of medical and other organizations		427,540	386,408
Patients' refunds		119,381	64,359
Payable to regulatory agencies		51,012	41,003
Professional fees collected on behalf of doctors		6,856	14,985
Accruals for:			
Contracted services		84,549	91,700
Professional services		46,237	42,585
Repairs and maintenance		30,857	24,281
Utilities		24,562	15,605
Dietary services		14,367	8,210
Employee benefits		895	636
Rent	21.2	869	1,495
Interest	8	-	348
Others		30,516	13,658
		1,293,007	1,140,414

Funds collected on behalf of medical and other organizations pertain to research grants and subsidies received from medical and other organizations. This includes the advance payments of benefit claims from Philippine Health Insurance Corporation on April 19 2021, September 3, 2021 and April 29, 2022 amounting to P107,591 (2021 - P286,519) net of liquidated claims as at December 31, 2022.

Accrued contracted services as at December 31, 2022 include purchasing services from related party amounting to P2,200 (2021 - P4,400) (Note 9.F) and various accruals for facilities and clinical technologies management and services, security and janitorial services.

Accrued professional services mainly pertain to amounts payable to doctors relating to diagnostic reader fees and medical packages.

(12)

Note 8 - Borrowings

Borrowings as at December 31 consist of:

	2022	2021
Bank loans (a)		
Current	-	110,000
Non-current	-	45,000
	-	155,000

The Parent Company's borrowings are all denominated in Philippine Peso.

(a) Bank loans

Bank loans as at December 31, 2021 amounting to P105,000 secured by a Mortgage Trust Indenture (Note 6.2) were obtained from various local banks to fund the Parent Company's working capital requirements. These loans are interest-bearing loans with fixed annual interest rates from 4.7% to 5.48% and terms ranging from 7 to 10 years.

All bank loans were fully paid in 2022.

(b) Loans payable - related party

On July 21, 2011, the Parent Company availed of a loan amounting to P140,000 from a major shareholder and key officer to partly finance the modernization of its medical equipment. The loan is unguaranteed, unsecured, bears a fixed interest rate of 7% and payable in equal quarterly installments over 10 years.

On February 18, 2013, the parties agreed to reduce the interest rate from 7% to 4.28% and on February 1, 2015, the parties mutually agreed to increase the interest rate to 5.00%.

As at December 31, 2020, the outstanding balance of this loan amounting to P10,500 was settled in full in 2021.

In 2014, the Parent Company availed of additional loans with fixed annual rate ranging from 5% to 5.3% amounting to P230,000 for general corporate purposes. Out of the total loan availments, P23,246 was used to refinance portion of the restructured loan existing as at December 31, 2013.

As at December 31, 2020, the outstanding balance of this loan amounting to P11,250 was settled in full in 2021.

The components of finance costs related to borrowings for each of the three years in the period ended December 31 are as follows:

	Note	2022	2021	2020
Interest expense for:				
Bank loans		4,361	16,086	19,803
Loan from a related party	9	-	304	2,898
		4,361	16,390	22,701

The movements in borrowings presented in the consolidated statements of financial position and consolidated statements of cash flows for the years ended December 31 are as follows:

	2022	2021	2020
Beginning of the year	155,000	440,500	514,500
Additions during the year	-	-	200,000
Payment of bank loans	(155,000)	(263,750)	(215,000)
Payment of related party loan	-	(21,750)	(59,000)
End of the year	-	155,000	440,500

The movements in accrued interest presented in the consolidated statements of financial position and consolidated statements of cash flows for the years ended December 31 are as follows:

	Note	Bank loans	Loan from a related party (Note 9)	Total
2022				
Beginning of the year		348	-	348
Interest expense		4,361	-	4,361
Payment		(4,709)	-	(4,709)
End of the year	7	-	-	-
2021				
Beginning of the year		1,520	104	1,624
Interest expense		16,086	304	16,390
Payment		(17,258)	(408)	(17,666)
End of the year	7	348	-	348
2020				
Beginning of the year		4,561	280	4,841
Interest expense		19,803	2,898	22,701
Payment		(22,844)	(3,074)	(25,918)
End of the year		1,520	104	1,624

Note 9 - Related party transactions and balances

The table below summarizes the Group's transactions and balances with its related parties:

		Transactions for the years ended December 31			Outstanding balances as of December 31	
Terms and conditions		2022	2021	2020	2022	2021
(A) Rental income						
Key officers	The Parent Company charges its key officers for the usage of clinic including electricity and water consumption. The rental income earned is presented as part of gross revenues (Note 13).	946	1,296	1,072	17	127
	Amounts are settled in cash on a net basis. These are unguaranteed, unsecured, non-interest bearing and are collectible on or before the 15 th of the following month. The receivables from key officers are presented as part of receivables from employees and officers (Note 3).					
(B) Collection on behalf of related parties						
Key officers	The Parent Company pays its key officers for professional fees collected from patients.	45,462	52,192	32,689	20,493	24,654
(C) Professional services						
Key officers	The Parent Company pays its key officers for reader's fees and professional fees included on medical packages. The amount is recognized as part of professional services presented in cost of services (Note 15).	6,969	6,847	6,156	-	-
(D) Dividend payments						
Entity with significant influence	The Parent Company paid dividends to its shareholders, net of the applicable withholding tax. Amounts are settled in cash.	121,730	52,318	44,923	-	-
Key officers	Refer further to Note 12 for details of dividend declarations and payments.	22,767	9,145	6,921	-	-
		144,497	61,463	51,844	-	-
(E) Borrowings and interest expense						
Key officer	The Parent Company availed of various loans from a key officer which were payable based on contract terms and subject to interest at rates ranging from 5.00% to 5.30%. The loans from a key officer were fully settled in 2021.	-	-	-	-	-
Principal		-	304	2,898	-	-
Interest		-			-	-

		Transactions for the years ended			Outstanding balances as of	
		December 31			December 31	
	Terms and conditions	2022	2021	2020	2022	2021
(F) Shared expenses						
<i>Shareholder with significant influence</i>	The Parent Company is charged for its share in expenses on purchasing services rendered by its related party presented as part of contracted services under administrative expenses (Note 15). These are payable within fifteen (15) days after receipt of billing. Overdue balances are subject to 2% interest per month. Outstanding balances are unguaranteed, unsecured, non-interest bearing, payable on demand and are presented as part of accruals for contracted services (Note 7).	1,100	1,100	1,100	2,200	4,400
(G) Contributions to plan assets						
<i>Post-employment benefit plan</i>	The Parent Company maintains a non-contributory retirement benefit plan covering all of its regular employees (Note 11).	18,000	224	10,000	-	-
(H) Compensation of key management						
<i>Salaries and other short-term benefits</i>	Key management compensation covering salaries and other short-term benefits are determined based on contract of employment and payable in accordance with the Parent Company's payroll period.	46,193	32,670	28,909	-	-
<i>Professional fees</i>	Professional fees are paid to doctor consultants holding key management positions in the Hospital.	18,029	16,329	13,065	-	-
<i>Retirement benefit</i>	Retirement benefits are determined and payable in accordance with policies disclosed in Note 24.18. These were fully paid as at reporting period, except for retirement liability which will be settled upon retirement of key officers in accordance with the policies of the retirement benefit plan. The Group has not granted any share-based compensation and termination benefits to its key management personnel for each of the three years.	(706)	(1,141)	3,558	16,276	52,137
		63,516	47,858	45,532	16,276	52,137

		Transactions for the years ended			Outstanding balances as of	
		December 31			December 31	
	Terms and conditions	2022	2021	2020	2022	2021
(I) Revenues	The Parent Company recognized revenue for hospital services provided to certain key officers and for hospital services provided to entities under common control for patient referrals from its partnerships with other hospitals.	923	781	3,803	250	243
Key Officers						
Entities under common control		1,756	922	1,453	423	237
	Amounts are settled in cash on a net basis. These are unguaranteed, unsecured, non-interest bearing and are collectible on or before the 30th day of the following month. These are presented as part of patient receivables (Note 3).					
		2,679	1,703	5,256	673	480
(J) Contracted services	The Parent Company outsourced certain clinical laboratory services to its related party presented as part of contracted services under administrative expenses (Note 15).	-	1,646	59	-	-
Entity with common control						
	Amounts are settled in cash on a net basis. These are unguaranteed, unsecured, non-interest bearing and are payable on demand. These were fully paid as at reporting period.					

No allowance for impairment was recognized against receivables from related parties for the years ended December 31, 2022 and 2021.

The following related party balances as at December 31 were eliminated for the purpose of preparing the consolidated financial statements:

	2022	2021
Investment in subsidiary / share capital	835	835
Receivables, net	8,580	8,580
Trade and other payables	(3)	(1)

Note 10 - Provisions

Provisions as at December 31 consist of:

	2022	2021
Current		
Provision for claims	60,306	39,776
Non-current		
Provision for medical benefits	105,239	102,275
Provision for claims	87,349	43,675
	192,588	145,950
	252,894	185,726

The movements in provision for claims for the years ended December 31, 2022 are as follows:

	Note	2022	2021
Beginning of the year		83,451	-
Provision for the year	16	64,204	83,451
End of the year		147,655	83,451

Provision for claims

Provision for claims represents the Parent Company's best estimate of the probable cost that may arise from various pending unresolved claims in relation to Parent Company's normal course of business.

The disclosure of additional details beyond the present disclosures may seriously prejudice the outcome of these on-going claims and assessments. Thus, as allowed by PAS 37, Provisions, Contingent Liabilities and Contingent Assets, only a general description is provided.

Critical accounting estimate, assumptions and judgment: Provision for claims

The Parent Company recognizes a provision for claims when it is probable that an outflow of resources embodying economic resources will result from the settlement of a present obligation, certain cases or general claims and the amount at which the settlement will take place can be measured reliably.

Provision for claims assumptions involve judgments that are inherently subjective and can involve matters that are in litigation, appeal and ongoing negotiation with authorities and third party which by its nature is unpredictable. These provisions are based on management's estimates as a result of historical information of actual expenses/payments including expectation of future events and possible exposures that are believed to be reasonable under the circumstances.

Management believes that its assessment of the probability of provision for claims is reasonable, but because of the subjectivity involved and the unpredictable nature of the subject matter at issue, management's assessment may prove ultimately to be incorrect, which could materially impact the financial statements in current or future periods.

(18)

Provision for medical benefits

Provision for medical benefits recognized as at December 31, 2022 and 2021 pertains to reserve liability arising from medical benefits covering certain affiliated doctors and qualified dependents. The provision is determined by an independent actuary based on the costs of medicines and supplies needed to fulfill the obligation. The provision is based on the latest actuarial report dated December 31, 2022.

The principal actuarial assumptions used as at December 31 are as follows:

	2022	2021
Discount rate	5% compounded annually	5% compounded annually
Future increase on projected medical benefits	4%-6% annually	4%-6% annually
Average life in years	51.8 years	49.5 years
Withdrawal rates	2%-7.5%	2%-7.5%
Utilization rates	5%-40%	5%-40%

The movements in provision for medical benefits for the years ended December 31 are as follows:

	2022	2021
Beginning of the year	102,275	104,953
Provision	83,620	70,218
Actualization	(80,656)	(72,896)
End of the year	105,239	102,275

Provision adjustment was recognized amounting to P83,620 for the year ended December 31, 2022 (2021 - P70,218) is presented as part of drugs, medicines and supplies account (Note 15).

Critical accounting estimate and assumptions: Provision for medical benefits

Provision for medical benefits is recognized based on management's best estimates of the likelihood that medical benefits will be realized considering the historical analysis of actualization. Management's assessment is developed in consultation with independent actuary and is based on an analysis of possible outcomes under various circumstances.

The Parent Company determines the appropriate discount rate at the end of each year. This is the discount rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the said provisions. The discount rate was determined by reference to prevailing market rate on long-term and start up investments in Philippine financing and banking industry. The discount rate is a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the provisions.

An actuarial update is to be made every two (2) years to ensure reasonableness of assumptions used based on the actual level and frequency of claims for medical benefits unless there are changes in benefits and actual pattern of medical costs that may warrant an immediate remeasurement of liabilities. In any of the above cases, management uses estimates and judgments. While it is believed that the Parent Company's estimates are reasonable, actual results could differ from those estimates and judgments. The recorded obligation at the end of each reporting period and the amount and timing of recorded expense for any period could be materially affected by actual experience and changes in those judgments.

Based on the latest actuarial computation, the Parent Company recognized additional provision amounting to P83,620 for the medical benefits of its additional qualified affiliated doctors and their dependents for the year ended December 31, 2022 (2021 - P70,218 based on similar assumptions used in the latest actuarial computation). The carrying amount of provision for medical benefits at December 31, 2022 amounted to P105,239 (2021 - P102,275).

(19)

Note 11 - Retirement plan

The Parent Company maintains a non-contributory retirement benefit plan covering all of its regular employees. The normal retirement age is 60. The Plan assets of the Parent Company is administered by a trustee bank, governed by local regulations and practices and approved by the BOD of the Parent Company. The retirement plan is intended to provide benefit payments to employees ranging from 24 to 48 days basic pay depending on the number of service credit years which ranges from 10 to 40. Actuarial valuation is updated by an independent actuary every year.

The amounts recognized in the consolidated statements of financial position as at December 31 are determined as follows:

	2022	2021
Present value of defined benefit obligation	756,706	850,850
Fair value of plan assets	(269,617)	(312,933)
	487,089	537,917

The movements in the present value of defined benefit obligation for the years ended December 31 are as follows:

	2022	2021
Beginning of the year	850,850	897,189
Current service cost	64,599	72,738
Interest cost	42,457	33,286
Benefits paid from plan assets	(48,192)	(42,993)
Remeasurement loss (gain)	(153,008)	(109,370)
End of the year	756,706	850,850

The movements in the fair value of plan assets for the years ended December 31 are as follows:

	2022	2021
Beginning of the year	312,933	340,435
Interest income	14,937	11,837
Contributions	18,000	224
Benefits paid	(48,192)	(42,993)
Remeasurement (loss) gain	(28,061)	3,430
End of the year	269,617	312,933

Plan assets as at December 31 consist of:

	2022		2021	
	Amount	Percentage	Amount	Percentage
Debt	221,827	82%	216,871	69%
Equity	54,696	20%	61,013	20%
Others	(6,906)	(2%)	35,049	11%
	269,617	100%	312,933	100%

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The largest proportion of assets is invested in government securities, although the Plan also invests in shares of stocks and special deposit account. The majority of listed stocks are in a diversified portfolio of blue-chip entities.

The amount and timing of contributions to the fund are made at the Parent Company's discretion. The Parent Company contributed P18,000 to the fund for the year ended December 31, 2022 (2021 - P224). Expected contributions to retirement benefit plan for the year ending December 31, 2023 is P36,000.

(20)

The movements in the retirement benefit obligation recognized in the consolidated statements of financial position for the years ended December 31 are as follows:

	Note	2022	2021
Beginning of the year		537,917	556,754
Retirement benefit expense recognized in profit or loss	15	93,718	94,187
Remeasurements on retirement benefits recognized in other comprehensive income		(124,947)	(112,800)
Benefits paid from book reserve		(1,599)	-
Contributions during the year		(18,000)	(224)
End of the year		487,089	537,917

The movements in the remeasurements on retirement benefits recognized in the consolidated statements of financial position for the years ended December 31 are as follows:

	Note	2022	2021
Beginning of the year		(92,247)	(165,057)
Remeasurements on retirement benefits recognized in other comprehensive income		124,947	112,800
Deferred tax adjustment	17	(31,236)	(39,990)
End of the year		1,464	(92,247)

The components of retirement benefit expense for each of the three years in the period ended December 31 are as follows:

	2022	2021	2020
Current service cost	64,599	72,738	56,292
Net interest cost	27,521	21,449	20,524
Retirement benefit expense charged to profit or loss	92,120	94,187	76,816
Remeasurement (gain) loss on defined benefit obligation			
Due to change in financial assumption	(140,047)	(77,228)	123,429
Due to demographic assumption	(5,909)	(10,077)	4,073
Due to experience adjustment	(7,052)	(22,065)	(382)
	(153,008)	(109,370)	127,120
Remeasurement loss (gain) on plan assets	28,061	(3,430)	2,379
Remeasurements on retirement benefits recognized in other comprehensive income	(124,947)	(112,800)	129,499

Retirement benefit expense is recognized in profit or loss under the following line items for each of the three years in the period ended December 31 (Note 15):

	2022	2021	2020
Cost of services	45,630	59,978	47,806
Administrative expenses	48,088	34,209	29,010
	93,718	94,187	76,816

The principal actuarial assumptions as at December 31 are as follows:

	2022	2021
Discount rate	7.25%	4.99%
Salary increase rate	6.00%	6.00%

(21)

The discount rate assumption is based on the theoretical spot yield curve calculated from the Bankers Association of the Philippines (BAP) PHP Bloomberg BVAL Reference Rates (BVAL) benchmark reference curve for the government securities market by stripping the coupons from government bonds to create virtual zero-coupon bonds and considering the average years of remaining working life of the employees as the estimated term of the benefit obligation.

Assumptions regarding salary increase rates take into account the inflation, seniority, promotion, merit, productivity and other market factors. The salary increase rate affects all future years and not just the succeeding year. As such, the rate should be sustainable over the long-term.

Assumptions regarding future mortality rate are set based on advice from published statistics and experience in each territory.

Critical accounting estimate and assumption: Principal assumptions and estimation of Retirement benefit obligation

The determination of the obligation and cost for retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rate and rate of salary increase. Any changes in these assumptions will impact the carrying amount of the retirement benefit obligation.

The Parent Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefit obligation. In determining the appropriate discount rate, the Parent Company considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related retirement benefit obligation.

The salary increase rate is used to project current salaries into the future to determine the amount of the salary related benefit payable at a future date considering the effects of productivity improvement, inflation and promotional increases. A higher salary increase rate will lead to a higher expected amount of benefits to be paid, and consequently, a higher retirement benefit obligation and retirement expense.

Other key assumptions for retirement benefit obligation are based in part on current market conditions.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption as at December 31 is as follows:

	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
2022			
Discount rate	+/-1.00%	(50,006)	56,789
Salary increase rate	+/-1.00%	56,931	(51,011)
2021			
Discount rate	+/-1.00%	(64,602)	74,434
Salary increase rate	+/-1.00%	72,934	(60,768)

The sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the retirement benefit obligation recognized within the consolidated statement of financial position.

(22)

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Through its defined benefit retirement plan, the Parent Company is exposed to a number of risks, the most significant of which are detailed below:

- *Asset volatility* - The plan liabilities are calculated using a discount rate based on the theoretical spot yield curve calculated from the Bankers Association of the Philippines Bloomberg BVAL reference rates benchmark reference curve for government securities market by stripping the coupons from government bonds to create virtual zero coupon bonds; if plan assets underperform this yield, this will create a deficit.

As the plans mature, the Parent Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities. However, the Parent Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity investment is an appropriate element of the Parent Company's long-term strategy to manage the plans efficiently.

- *Changes in bond yields* - A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
- *Inflation risk* - Higher inflation will lead to higher liabilities. The majority of the plan's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.
- *Life expectancy* - The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities.

As at December 31, 2022, the average remaining working life of the employees is 26.5 years (2021 - 26.4 years).

Expected maturity analysis of undiscounted retirement benefit payments as at December 31 is as follows:

	2022	2021
Less than a year	82,757	86,703
Between 1-2 years	200,368	179,063
Between 2-5 years	180,209	177,045
Between 5-10 years	579,640	543,640

(23)

Note 12 - Equity

Share capital, capital in excess of par value and treasury shares

Details of authorized share capital as at December 31, 2022, 2021 and 2020 in absolute amounts are as follows:

	Number of shares	Amount
Authorized share capital (P100 par value per share)		
Founders' shares	22	2,200
Common shares	3,949,978	394,997,800
Preferred shares	50,000	5,000,000
	4,000,000	400,000,000

Details of common shares issued and outstanding as at December 31 are as follows:

	2022		2021		2020	
Issued common shares (P100 par value per share)	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Beginning of the year	3,428,617	342,862	3,428,617	342,862	3,427,117	342,712
Issuance during the year	-	-	-	-	1,500	150
End of the year	3,428,617	342,862	3,428,617	342,862	3,428,617	342,862
Treasury shares, at cost						
End of the year	7,880	15,036	7,880	15,036	7,880	15,036

For the years ended December 31, 2022 and 2021, no shares were issued to practicing doctors.

For the year ended December 31, 2020, a total of 1,500 common shares were issued at P100 par value per share to practicing doctors for total consideration of P3,436. The issuance resulted in the recognition of P3,286 capital in excess of par value in the statement of financial position in 2020.

The movements in the capital in excess of par value for the years ended December 31 are as follows:

	2022	2021	2020
Beginning of the year	1,701,610	1,701,610	1,698,324
Issuance during the year	-	-	3,286
End of the year	1,701,610	1,701,610	1,701,610

Retained earnings; dividends payable

The Parent Company's BOD authorized and approved the declaration and payment of cash dividends to shareholder beneficiaries from retained earnings as at December 31 as follows:

Declaration date	Payment date	As of record date	Dividend per share	Total dividends
July 20, 2021	August 30, 2021	July 31, 2021	45.82	156,739
December 2, 2021	January 28, 2022	December 31, 2021	37.49	128,243
July 19, 2022	August 26, 2022	July 30, 2022	69.12	236,442

Details of unpaid amounts from the Group's dividend declarations as at December 31 are as follows:

	2022	2021	2020
Beginning of the year	157,704	37,053	167,407
Dividends declared	236,442	284,982	-
Payment of dividends during the year	(352,942)	(164,331)	(130,354)
End of the year	41,204	157,704	37,053

The 2020 balance includes the share of non-controlling interest amounting to P6,505.

Excess retained earnings: appropriation of retained earnings

On March 11, 2019, the Parent Company's BOD approved the appropriation of P600 million for the expansion and renovation projects and continuous modernization of medical equipment which was expected to happen in 2019.

On March 27, 2020 and March 18, 2021, the Parent Company's BOD approved the continued retention of the P600 million appropriation considering the postponement of the planned expansion projects due to the impact of COVID-19.

On March 27, 2023, the Parent Company's BOD approved the reversal of the P600 million appropriation. On the same day, the Parent Company's BOD approved the appropriation of P2 billion for the construction and fit out of a building which is expected to happen from 2023 to 2026.

The Parent Company also plans to declare dividends up to 50% of the 2022 net profit in 2023.

Note 13 - Gross revenues

Set out below is the disaggregation of the Group's sales of services for the years ended December 31:

	Note	2022	2021	2020
Patient revenue				
In-patient		4,134,790	4,251,967	3,480,683
Out-patient		3,611,590	2,950,117	2,377,703
Emergency		666,475	421,936	417,668
		8,412,855	7,624,020	6,276,054
Rental income from doctors	21.2	27,963	39,445	32,049
		8,440,818	7,663,465	6,308,103

The Group's revenue substantially comprises of services whose revenues are recognized over time within the fulfillment of services which is one (1) day for emergency and out-patient services and an average of six (6) days for in-patient services.

Note 14 - Discounts and free services

The components of discounts and free services for the years ended December 31 are as follows:

	2022	2021	2020
Regular discounts	970,878	898,200	684,511
Employees' dependents	44,337	51,520	37,618
Others	35,119	26,860	19,000
	1,050,334	976,580	741,129

(25)

Note 15 - Expenses by nature

The nature of expenses for each of the three years in the period ended December 31 is as follows:

	Notes	2022	2021	2020
Drugs, medicines and supplies	4	1,824,398	1,854,704	1,835,719
Salaries and wages		1,308,582	1,160,311	1,039,576
Depreciation and amortization	6	666,043	664,840	631,425
Professional services		589,593	458,266	401,351
Contracted services		490,934	484,072	440,089
Provision for impairment of receivables	3	273,899	275,362	217,272
Utilities		257,713	177,383	169,494
Employee benefits		215,094	182,948	201,302
Repairs and maintenance		177,960	147,165	131,581
Security and janitorial services		109,659	116,966	124,876
Retirement benefit expense	11	93,718	94,187	76,816
Dietary, linen and laundry services		78,887	79,090	81,471
Taxes and licenses		56,043	48,372	51,255
Commission expense		42,708	37,661	29,688
Computer programming and support		36,216	45,130	40,071
Entertainment and representation		19,857	30,739	30,058
Advertising		17,340	11,797	8,010
Communication		15,018	14,379	13,855
Rent	21.2	11,365	12,284	8,340
Training		10,071	6,183	5,644
Transportation expense		8,951	4,023	40,330
Photocopying		8,522	5,508	3,717
Insurance		7,176	8,632	11,017
Others		32,418	27,076	21,475
		6,352,165	5,947,078	5,614,432

The following are the classification of expenses in profit or loss for each of the three years in the period ended December 31:

	2022	2021	2020
Cost of services	4,167,454	4,231,295	3,958,146
Administrative expenses	2,184,711	1,715,783	1,656,286
	6,352,165	5,947,078	5,614,432

Cost of services mainly consists of drugs, medicine, dietary, linen, salaries and professional fees of doctors and nurses, utilities, depreciation of medical equipment and repairs and maintenance expense.

Administrative expenses primarily consist of depreciation, contracted services, office supplies, utilities, taxes and licenses, communication and commission expense.

Note 16 - Other income (loss), net

The components of other income (loss), net for the years ended December 31 are as follows:

	Notes	2022	2021	2020
Rental income from concessionaires	21.2	57,287	50,826	50,022
Income from other hospital services		32,127	23,338	25,867
Interest income	2	4,485	2,141	2,816
Foreign exchange gain (loss), net	20	4,148	705	(2,636)
Scrap sales		392	688	192
Loss (gain) on disposal of property and equipment		76	(3,266)	(2,148)
Reversal of long outstanding payables		-	-	17,315
Provision for claims	10	(64,204)	(83,451)	-
Others		2,178	1,821	3,149
		36,489	(7,198)	94,577

Income from other hospital services mainly consists of parking income, affiliation and internship fees.

Reversal of payables pertains to long outstanding payables written back where no claims for payments from suppliers were received by the Group.

Note 17 - Income tax

Components of deferred income tax (DIT) liabilities, net as at December 31 are as follows

	Notes	2022	2021
<i>DIT assets</i>			
Retirement benefit obligation	11	121,772	134,479
Provision for impairment of receivables	3	152,288	117,103
Provision for medical benefits	10	26,310	25,569
Provision for claims	10	36,914	20,862
Leases (PFRS 16)	21.2	14,997	15,653
Provision for inventory losses	4	4,618	3,233
Provision for impairment of property and equipment	6	3,349	3,349
		360,248	320,248
<i>DIT liabilities</i>			
Appraisal surplus on:			
Land	6	(1,015,634)	(1,015,634)
Buildings and building improvements	6	(90,737)	(93,976)
		(1,106,371)	(1,109,610)
DIT liabilities, net		(746,123)	(789,362)

Critical accounting judgment: Realizability of DIT assets

Realization of the future tax benefit related to DIT assets is dependent on the Parent Company's ability to generate future taxable income during the periods in which the DIT assets are expected to be recovered. The Parent Company has considered these factors in reaching a conclusion as to the recognized DIT assets amounting to P360,248 at December 31, 2022 (2021 - P320,248).

(27)

The analysis of the recoverability and settlement of DIT assets and liabilities as at December 31 follows:

	2022	2021
DIT assets to be recovered		
Beyond one year	166,428	179,050
Within one year	193,820	141,198
	360,248	320,248
DIT liabilities to be settled		
Beyond one year	(1,103,132)	(1,106,369)
Within one year	(3,239)	(3,241)
	(1,106,371)	(1,109,610)
	(746,123)	(789,362)

The movements in DIT assets for the years ended December 31 are as follows:

	Note	2022	2021	2020
Beginning of the year		320,248	330,890	240,360
Credited to profit or loss		71,236	29,348	51,680
(Charged) credited to OCI	11	(31,236)	(39,990)	38,850
End of the year		360,248	320,248	330,890

The movement in DIT assets charged to OCI for the year ended December 31, 2021 amounting to P39,990 includes deferred tax adjustment on remeasurements on retirement benefits amounting to P6,150.

The movements in DIT liabilities for the years ended December 31 are as follows:

	2022	2021	2020
Beginning of the year	1,109,610	1,335,421	1,339,313
Credited to OCI	(3,239)	(225,811)	(3,891)
End of the year	1,106,371	1,109,610	1,335,422

The movement in DIT liabilities credited to OCI for the year ended December 31, 2022 amounting to P3,239 pertains to depreciation transfer on revaluation surplus (2021 - P225,811 includes deferred tax adjustment on depreciation transfer on revaluation surplus amounting to P3,242; 2020 - P3,891).

Income tax expense for each of the three years in the period ended December 31 consists of:

	2022	2021	2020
Current	336,384	248,805	52,043
Deferred	(71,236)	(29,348)	(51,680)
	265,148	219,457	363

(28)

The reconciliation of income tax expense computed at the statutory tax rate to the actual income tax expense for each of the three years in the period ended December 31 is as follows:

	2022	2021	2020
Income tax (benefit) expense at statutory tax rate of 25% (2020 - 30%)	262,905	173,079	(1,570)
Adjustments to income tax expense:			
Depreciation on appraisal increase	3,239	3,241	3,894
Other non-deductible (deductible) items	97	244	(1,151)
Interest income subject to final tax	(1,121)	(535)	(844)
Effect of change in tax rate	-	43,358	-
Unrecognized DIT assets	28	70	35
	265,148	219,457	364

Corporate Recovery and Tax Incentives for Enterprises Act (CREATE)

On 26 March 2021, the president signed into law Republic Act No. 11534 or the CREATE Act, which is the reconciled version of the Bicameral Conference Committee. It settled the disagreeing provisions of House Bill No. 4157 and Senate Bill No. 1357. The CREATE Act was previously known as the Corporate Income Tax and Incentives Reform Act (CITIRA) bill. The law became effective on 11 April 2021.

Among the salient provisions of CREATE include changes to the Corporate Income Tax (CIT) as follows:

1. Reduction in CIT rate effective July 1, 2020 as follows:

- a. Domestic corporations will be subject to the following reduced CIT rates depending on their assets and taxable income:
 - i. Those with assets amounting to P100,000,000 and below, and with taxable income equivalent to P5,000,000 and below will be subjected to a 20% tax rate; and
 - ii. Those with assets above P100,000,000 or those with taxable income amounting to more than P5,000,000 will be subjected to a 25% tax rate.
- b. Foreign corporations (resident and nonresident foreign corporations) will have a fixed reduced tax rate of 25%.

2. Effective July 1, 2020 until June 30, 2023, the minimum corporate income tax rate shall be 1%.

Under CREATE, the Parent Company prepared its annual income tax return for the year ended December 31, 2022 and 2021 using the updated rate of 25% (2020 - pro-rated rate reckoned from July 1, 2020 (retrospective effect) of 27.5%).

For financial reporting purposes, the enactment of CREATE after December 31, 2020 was deemed a non-adjusting subsequent event in the December 31, 2020 financial statements. Hence, effect of changes in the tax rates applied is reflected in the income tax reconciliation for the year ended December 31, 2021.

In compliance with the Tax Reform Act ("the Act") of 1997, the Group shall pay the higher between the normal income tax and Minimum Corporate Income Tax (MCIT) equivalent to 2% of gross income, as defined under the Act. Any excess of the MCIT over the normal income tax shall be carried forward annually and credited against the normal income tax for the next three consecutive taxable years immediately following the year the MCIT was paid. The same Act also provides for a net operating loss carry over (NOLCO) privilege which can be carried over as a deduction for the three immediately succeeding taxable years following the year such loss was incurred. However under the Republic Act No. 11494 (Bayanihan to Recover as One Act), the NOLCO for the taxable years 2020 and 2021 can be carried over as a deduction for the next five (5) consecutive taxable years immediately following the year of such loss. As at December 31, 2022 and 2021, management, in consideration that no future taxable income is expected to be generated from operations, decided not to recognize its excess MCIT in the consolidated statements of financial position.

(29)

Optional standard deduction (OSD)

On December 20, 2008, Revenue Regulations No. 16-2008 on the OSD was published. The regulation prescribed the rules for the OSD application by corporations in the computation of their final taxable income. For corporations, OSD shall be 40% based on gross income; “cost of goods sold” and “cost of services” will be allowed to be deducted from gross sales.

The Group did not avail of the OSD for purposes of income tax calculation for each of the three years in the period ended December 31, 2022.

Note 18 - Profit (loss) earnings per share

The following table presents information necessary to calculate basic and diluted (loss) earnings per share for each of the three years in the period ended December 31:

	2022	2021	2020
Profit (loss) attributable to owners of the Parent Company	786,516	473,150	(5,555)
Divided by:			
Weighted average number of common shares	3,421	3,421	3,402
Profit (loss) earnings per share - basic and diluted	229.92	138.31	(1.63)

There are no potential dilutive potential common shares for each of the three years in the period ended December 31, 2022, 2021, and 2020.

Note 19 - Revaluation surplus

The movements in revaluation surplus account for the years ended December 31 are as follows:

	Notes	2022	2021
Beginning of the year		3,304,443	3,091,590
Reversal of deferred tax on depreciation	17	3,239	3,241
Transfer of depreciation on appraisal to retained earnings	6	(12,957)	(12,958)
Effect of change in income tax rate	17	-	222,570
End of the year		3,294,725	3,304,443

Note 20 - Foreign currency denominated assets and liabilities

The Group's foreign currency denominated assets and liabilities as at December 31 is as follows:

	2022		2021	
	U.S. Dollar	Euro	U.S. Dollar	Euro
Current assets	466	174	271	174
Current liabilities	(1)	-	(157)	-
Net foreign currency denominated assets	465	174	114	174
Closing rate at December 31	56.12	59.55	50.77	57.51
Equivalents in Philippine Peso	26,096	10,362	5,788	10,007

The closing rate used by the Group approximates the closing rate prescribed by the Bangko Sentral ng Pilipinas at reporting date.

Foreign exchange gain (loss), net for each of the three years in the period ended December 31 is as follows (Note 16):

	2022	2021	2020
Unrealized foreign exchange gain (loss), net	4,757	791	(2,038)
Realized foreign exchange loss, net	(609)	(86)	(598)
	4,148	705	(2,636)

Note 21 - Commitments

21.1 Capital commitments

Capital expenditures relating to the on-going renovation of the buildings and equipment purchases contracted for at December 31, 2022 but not yet incurred amounted to P397,390 (2021 - P226,018).

21.2 Lease agreements

When the Parent Company is the lessee

The Parent Company entered into various lease agreements with a third-party lessor. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests of the lessor. None of the leased properties were used as security for borrowing purposes.

(i) Clinical facilities, back office and parking spaces

On June 17, 2014, the Parent Company entered into a non-cancellable lease agreement with Adelantado Corporation covering certain floors at Keyland Centre to serve as additional clinical facilities of the Parent Company, its back office and parking spaces with a term of 5 years beginning April 15, 2014 until April 14, 2019. In 2015, the lease term was amended and extended to 10 years beginning from its original commencement date until April 14, 2024. The lease is renewable upon mutual agreement by both parties. The lease agreement includes provision for rent-free period and an escalation rate during term of the lease.

The foregoing lease agreement requires the Parent Company to pay refundable security deposit amounting to P13,375. The carrying amount of the refundable deposit approximates its fair value as the effect of discounting is immaterial. This is presented as part of other non-current assets.

(ii) Wellness center and parking spaces

On January 25, 2019, the Parent Company entered into lease agreements with various lessors covering office space to serve as the wellness center of the Parent Company and several parking lots. The lease agreements have various terms and renewable upon mutual agreement. Following is the summary of the leases:

Lessor	Location	Area/Parking stalls	Original term
Ayala Land, Inc.	Ayala North Exchange Tower 1	1,638.45 sq.m.; 21 parking stalls	February 1, 2019 to January 31, 2024
Ayala Land, Inc.	City Gate	101 parking stalls	January 1, 2019 to December 31, 2029
One Dela Rosa Property Development, Inc.	Ayala North Exchange Tower 1	28 parking stalls	May 1, 2019 to December 31, 2029

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The Parent Company paid refundable security deposit in relation to the above lease agreements as at December 31, 2022 amounting to P14,100 (2021 - P13,563). The carrying amount of the refundable deposit approximates its fair value as the effect of discounting is immaterial. This is presented as part of other non-current assets.

(iii) *Diagnostic center and renal services*

On July 28, 2021, the Parent Company entered into lease agreements with ACI, Inc. covering commercial space to serve as the Diagnostic and Dialysis center of the Parent Company and generator set and machineries room. The lease agreements shall be for a period of 5 years from October 1, 2021 to September 26, 2026.

In addition, the Parent Company entered into a lease agreement with Aldex Realty Corporation for the rental of Discovery Primea Condominium's third floor to be utilized as clinic and diagnostic center. The lease agreement shall be for a period of 5 years from April 21, 2021 to April 20, 2026.

The Parent Company paid refundable security deposit amounting to P4,351 (2021 - P3,751) during the year. The carrying amount of the refundable deposit approximates its fair value as the effect of discounting is immaterial. This is presented as part of other non-current assets.

(iv) *Others*

The Parent Company has various operating non-cancellable lease agreements for the use of medical equipment, office furniture and other vehicles. Rent expense for the year ended December 31, 2022 on short-term leases and low-value assets are presented under cost of services and administrative expenses amounted to P11,365 (2021 - P12,284) (Note 15). Accrued rent relating to leases of short-term and low-value assets as at December 31, 2022 amounted to P869 (2021 - P1,495) (Note 7).

Amounts recognized in the consolidated statements of financial position

Following the adoption of PFRS 16 on January 1, 2019, the leased assets are presented as part of the property and equipment (Note 6) in the consolidated statements of financial position. The consolidated statements of financial position show the following amounts relating to leases as at December 31:

	Notes	2022	2021
<u>Right-of-use asset, net</u>			
Office and parking spaces	6	166,418	255,086
<u>Lease liabilities</u>			
Current		121,404	105,207
Non-current		76,056	183,543
		197,460	288,750
Deferred tax asset on:			
Right-of-use asset		56,602	79,424
Lease liabilities		(41,605)	(63,771)
	17	14,997	15,653

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The movements in lease liabilities are as follows:

	2022	2021
Beginning of the year	288,750	340,186
Additions during the year	-	34,863
Lease payments:		
Principal	(91,290)	(86,299)
Interest	(18,828)	(23,904)
Accretion of interest	18,828	23,904
End of the year	197,460	288,750

Amounts recognized in the consolidated statements of total comprehensive income

The consolidated statements of total comprehensive income shows the following amounts relating to leases:

	Notes	2022	2021	2020
Depreciation of right-of-use assets				
Office and parking spaces	6	88,668	83,327	81,235
Interest expense (included in finance costs)		18,828	23,904	29,650
Expense relating to leases of low-value assets and short-term leases (included in cost of services and administrative expenses)	15	11,365	12,284	8,340
		118,861	119,515	119,225

(v) *Discount rate*

The lease payments for all leased assets are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Critical accounting estimates: Determine of incremental borrowing rate for leases

To determine the incremental borrowing rate, the Parent Company used a single incremental borrowing rate lifted from the Parent Company's recent loan as at January 1, 2019 which is adjusted based on the movement of the comparable BVAL or PDST-R2 rates from the date of the loan to the date of the adoption of the new lease standards. The discount rate applied by the Parent Company is 7.41%.

(vi) *Extension and termination options*

Extension and termination options are included in the lease agreements of the Parent Company. These are used to maximize operational flexibility in terms of managing the assets used in the Parent Company operations. The extension and termination options are exercisable only upon written agreement by the Parent Company and the lessor under terms and conditions acceptable to both parties.

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Critical accounting judgment: Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Parent Company considers the factors as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Parent Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Parent Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Parent Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in leases have not been included in the lease liability because renewal is unlikely given that there are no economic incentives present upon renewal, and/or there are no significant leasehold improvements in the leased premises. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Where the Group is the lessor

The Parent Company has various non-cancellable agreements for leases of clinics and commercial spaces located within the Hospital to doctors and concessionaires for a period of not more than 1 year and with renewal options for another year as mutually agreed by both parties. Refundable deposits from these lease agreements amounted to P5,341 as at December 31, 2022 (2021 - P5,259) which is presented as part of other current liabilities in the consolidated statements of financial position.

Rent income arising from these lease agreements amounted to P85,250 for the year ended December 31, 2022 (2021 - P90,271; 2020 - P82,071) (Notes 13 and 16). Rent receivable as at December 31, 2022 amounted to P9,596 (2021 - P13,930) (Note 3).

21.3 Purchase commitment

The Parent Company has outsourced its clinical laboratory services to a third-party supplier starting September 2017. The Parent Company has a yearly minimum commitment of P408,189 worth of laboratory services.

Note 22 - Critical accounting estimates, assumptions and judgments

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates, assumptions and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

22.1 Critical accounting estimates and assumptions

- Expected credit losses (ECL) on receivables (Note 3)
- Estimated useful lives of property and equipment (Note 6)
- Fair value estimation of land and building (Note 6.4)
- Principal assumptions and estimation of provisions for claims (Note 10)

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- Principal assumptions and estimation of provisions for medical benefits (Note 10)
- Principal assumptions and estimation of retirement benefit obligation (Note 11)
- Determination of incremental borrowing rate for leases (Note 21.2)

22.2 Critical accounting judgments

- Recoverability of property and equipment (Note 6)
- Frequency of valuation (Note 6.4)
- Provision for claims (Note 10)
- Realizability of deferred income tax assets (Note 17)
- Determination of lease term (Note 21.2)

Note 23 - Financial risk and capital management

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The Group's management provides written principles for overall risk management as well as written policies covering specific areas of risks.

The more significant types of risks that the Group manages are market risk such as foreign currency risk and interest rate risk, credit risk and liquidity risk.

23.1 Components of financial assets and financial liabilities

Details of the Group's financial assets, classified as financial assets at amortized cost at December 31 are as follows:

	Notes	2022	2021
Cash and cash equivalents	2	1,770,229	597,867
Receivables, gross	3	1,401,380	1,741,659
Restricted cash and refundable deposits	2, 21.2	135,599	134,162
		3,307,208	2,473,688

Receivables at December 31, 2022 are presented gross of provision for impairment amounting to P620,854 (2021 - P480,144) and exclusive of receivable from a regulatory agency amounting to P8,714 (2021 - P7,725) and receivables from employees and officers amounting to P25,635 (2021 - P20,768) which are considered as non-financial assets.

Details of the Group's financial liabilities at amortized cost at December 31 are as follows:

	Notes	2022	2021
Trade and other payables	7	814,455	713,003
Lease liabilities	21.2	197,460	288,750
Dividends payable	12	41,204	157,704
Borrowings	8	-	155,000
Other current liabilities		20,755	15,151
		1,073,874	1,329,608

Trade and other payables exclude payable to regulatory agencies amounting to P51,012 (2021 - P41,003) and funds collected on behalf of medical and other organizations amounting to P427,540 (2021 - P386,408). Other current liabilities pertain to financial liabilities such as patient deposits and refundable deposits from the Parent Company's lessees (Note 21.2).

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23.2 Financial risk management

The Group's financial risk management program is a continuing, proactive process that focuses on the identification and assessment of risk. To enable management to make strategic and informed decisions, the Group recognizes the importance of an effective financial risk management system.

The BOD, through the recommendation of the Audit Committee, reviews and approves policies for managing each of these risks.

The Group has no significant financial assets and liabilities that are exposed to price risk.

23.2.1 Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's functional currency.

The Group has no significant financial assets and liabilities that are exposed to foreign exchange risk. Details of the Group's foreign denominated assets and liabilities are shown in Note 20.

(ii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of financial assets and liabilities will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of financial assets and liabilities will fluctuate because of changes in market interest rates.

The Group has no significant financial assets and liabilities that are exposed to interest rate risk. Long-term borrowings issued at fixed rates and measured at amortized cost are not exposed to cash flow or fair value interest rate risk. The details of the Group's long-term borrowings are shown in Note 8.

23.2.2 Credit risk

The Group is exposed to credit risks arising from its cash in banks, short-term cash placements, restricted cash, refundable deposits and primarily from its patient receivables because it is required to attend to the medical needs of private individual patients prior to considering their capability to pay. The maximum exposure to credit risk at reporting periods is the carrying value of financial assets as detailed in Note 23.1. Management continuously reviews and implements more stringent credit and collection policies to limit the amount of credit exposure to any patient. Also, the credit and collection department monitors the level of receivables from patients on an ongoing basis to design collection programs.

In addition to private individual accounts, corporate accounts also comprise a significant portion of the Group's clientele. These accounts include private companies (self-managed health plan), health maintenance organizations and insurance companies where credit terms and limits are pre-established.

As at December 31, 2022, the Group's net receivables from its corporate accounts amounted to P242,006 (2021 - P192,939) comprising 32% (2021 - 16%) of its total net patient receivables (Note 3).

The Parent Company applies the PFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all patient receivables and the general approach is applied for cash and cash equivalents, other receivables and other non-current assets. The estimated impairment loss from these financial assets is deemed immaterial, except for patient receivables.

(36)

Cash in banks and short-term cash placements

To minimize credit risk exposure from cash in banks and short-term cash placements, the Group maintains cash deposits and short-term cash placements in reputable banks. The Group assesses that cash in banks and short-term cash placements have low credit risk considering the banks' external credit ratings.

Patient receivables

To measure the expected credit losses, patient receivables of the Parent Company have been grouped based on shared credit risk characteristics and days past due. Gross patient receivables from doctors and employees amounting to P46,442 (2021 - P50,799) were excluded in the assessment as credit risk is assessed to be insignificant for these groups. In calculating the expected credit loss rates, the Parent Company considers historical loss rates for each category of patients and adjusts for forward-looking macro-economic data. The Parent Company has identified the gross domestic product, consumer price index, unemployment rate, and inflation to be the most relevant factors, and accordingly adjusted the historical loss rates based on expected changes in these factors.

The COVID-19 pandemic caused a delay in collections as the capacity of patients and guarantors to pay were compromised. In addition, the negative impact on the macroeconomic conditions used resulted to a generally higher expected credit loss rates to calculate the allowance for doubtful accounts as at December 31, 2022.

In determining the aging bracket of the patient receivables, management also continuously analyze the historical collection profiles of the different groups of guarantors.

For private individual patients and government accounts, management has assessed, based on the historical collection profile, that receivables are collected beyond the agreed collection period. This resulted in generally higher expected credit loss rates applied to outstanding receivables as at December 31, 2022.

For corporate accounts, management has assessed that they are most likely to settle their obligations within the agreed collection period based on the historical collection profile. This resulted in lower expected credit loss rates applied to corporate accounts as at December 31, 2022.

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As at and for the years ended December 31, 2022 and 2021, the Parent Company's credit risk exposure in relation to patient receivables from private individual patients (excluding doctors and employees), corporate accounts and government agencies, which are collectively assessed for impairment, net of unapplied collections and professional fees billed on behalf of doctors are set out in the provision matrix as follows:

	Current	Within 30 days	31-60 days	61-90 days	Over 91 days	Total
2022						
Private individual patients						
Expected loss rates	5.2%	46.8%	58.4%	53.1%	78.4%	
Gross receivables	105,362	24,310	10,903	10,566	295,805	446,946
Loss allowance	5,531	11,379	6,366	5,609	232,007	260,892
Corporate accounts						
Expected loss rates	0.0%	0.0%	0.5%	0.4%	63.7%	
Gross receivables	182,024	56,271	1,394	776	4,507	244,972
Loss allowance	72	12	8	3	2,871	2,966
Government						
Expected loss rates	3.2%	4.2%	3.5%	8.7%	63.9%	
Gross receivables	30,149	33,542	35,862	37,219	528,237	665,009
Loss allowance	951	1,409	1,272	3,226	337,470	344,328
Total loss allowance	6,554	12,800	7,646	8,838	572,348	608,186
2021						
Private individual patients						
Expected loss rates	7.9%	36.6%	40.8%	49.3%	50.5%	
Gross receivables	83,570	23,819	36,859	20,491	368,596	533,335
Loss allowance	6,599	8,711	15,037	10,096	186,303	226,746
Corporate accounts						
Expected loss rates	0.2%	0.4%	1.0%	4.7%	56.0%	
Gross receivables	127,363	49,202	4,328	1,377	25,515	207,785
Loss allowance	267	181	43	65	14,290	14,846
Government						
Expected loss rates	3.8%	3.1%	2.7%	4.9%	30.6%	
Gross receivables	29,573	38,420	68,218	96,166	710,224	942,601
Loss allowance	1,123	1,208	1,817	4,704	217,002	225,854
Total loss allowance	7,989	10,100	16,897	14,865	417,595	467,446

Other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each pharmaceutical and medical companies and lessees. The credit quality is further classified and assessed by reference to historical information about each of the counterparty's historical default rates. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, the Group has assessed that the outstanding balances are exposed to low credit risk. Expected credit losses on these balances have therefore been assessed to be insignificant.

Other non-current assets

Other non-current assets include restricted cash held by a financial institution and refundable deposits for lease contracts and utility companies which are normally refundable at the end of the contract term. Credit risk exposure is not considered significant.

23.2.3 Liquidity risks

The Group's ability to make payments on its indebtedness and to fund its operations depends on its future performance and financial results. Historically, the Group's liquidity position is strong due to profitable operations. The Group generates significant cash from its operating activities and is able to meet all of its financial covenants included in the credit agreement with its lenders.

In 2021 and 2020, the disruption in business brought by COVID-19 pushed management to strengthen its collection policies, reevaluate its payments terms with suppliers, shift to leaner inventory requirements, postponed capital expenditures and apply cost-cutting measures.

To manage liquidity, the Group projects monthly cash flows from its operating, investing and financing activities and evaluates actual cash flow information to ensure that the immediate requirements of the Hospital are covered. Working capital requirements are also reviewed on a monthly basis and reported to the BOD and additional working capital loans are availed, if necessary.

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows which equal their carrying balances, as the impact of discounting is considered not significant except for lease liabilities.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
At December 31, 2022					
Trade and other payables	814,455	-	-	-	814,455
Lease liabilities	121,403	23,362	41,040	11,655	197,460
Dividends payable	41,204	-	-	-	41,204
Other current liabilities	20,755	-	-	-	20,755
Future interest payables on leases	11,651	10,540	7,100	514	29,805
	1,009,468	33,902	48,140	12,169	1,103,679
At December 31, 2021					
Trade and other payables	713,003	-	-	-	713,003
Borrowings	110,000	45,000	-	-	155,000
Lease liabilities	105,207	118,677	30,641	34,225	288,750
Dividends payable	157,704	-	-	-	157,704
Other current liabilities	15,151	-	-	-	15,151
Future interest payables on leases	17,198	21,110	13,153	4,284	55,745
Future interest payables on borrowings	4,337	1,048	-	-	5,385
	1,122,600	185,835	43,794	38,509	1,390,738

23.3 Capital management

The Group's objectives when managing capital, which is the total equity, (excluding revaluation surplus, non-controlling interest and remeasurements on retirement benefits) as shown in the consolidated statement of financial position, include: (i) safeguarding the Group's ability to continue as a going concern; (ii) increasing the value of shareholders' investment; and (iii) providing sustainable returns and benefits for shareholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

As at December 31, 2022, the Group is not subject to any specific restrictions or capital requirements. The Group has no outstanding borrowings and is not subject to any debt covenants.

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As at December 31, 2021, the Group is not subject to any specific restrictions or capital requirement except for maintenance of certain financial ratios as required by debt covenants on existing borrowings of the Parent Company. The Parent Company shall maintain the debt service coverage ratio of not less than 1.0 to 1.25 times and debt to equity ratio below 2.5 times.

The Parent Company has complied with the above covenants as at December 31, 2021 as follows:

Debt service coverage ratio	4.61
Debt-to-equity ratio	0.40

The Parent Company is not subject to externally imposed minimum capitalization.

Note 24 - Summary of significant accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

24.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS). The term PFRS, in general, includes all applicable PFRS, Philippine Accounting Standards (PAS), and interpretations of Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial Reporting Standards Council (FRSC) and adopted by the SEC.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and building improvements classified under property and equipment.

The preparation of consolidated financial statements in conformity with PFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are summarized in Note 23.

New and amended standards adopted by the Group

The Group has applied the following amendments for the first time for their annual reporting period commencing January 1, 2022:

- *Property, Plant and Equipment: Proceeds before Intended Use - Amendments to PAS 16*
- *Onerous Contracts - Cost of Fulfilling a Contract - Amendments to PAS 37*
- *Annual Improvements to PFRS Standards 2018-2020, and*
- *Reference to the Conceptual Framework - Amendments to PFRS 3.*

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for December 31, 2022 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

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24.2 Consolidation

The consolidated financial statements comprise the financial statements of the Group as at and for each of the three years in the period ended December 31, 2022. The subsidiary's financial statements are prepared for the same reporting year as the Parent Company. The Group uses uniform accounting policies, any difference between the subsidiary and Parent Company are adjusted properly.

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the Parent Company does not differ from the proportion of ordinary shares held.

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with PFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is not accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

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Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(b) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

24.3 Financial assets

Classification and presentation

24.3.1 Classification

The Group classifies its financial assets in the following measurement categories: (a) those to be measured subsequently at fair value (either through OCI or through profit or loss) and (b) those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The Group did not hold financial assets under category (a) during and as at December 31, 2022. The Group's financial assets under category (b) includes cash and cash equivalents (Note 2), receivables (Note 3) and other non-current assets (Notes 2 and 23.1).

24.3.2 Recognition and measurement

The Group recognizes a financial asset in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Regular-way purchases and sales of financial assets are recognized on trade date - the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequently, assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

24.3.3 Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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Loss allowances of the Group are measured on either of the following bases:

- 12-month expected credit losses (ECLs) - these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs - these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all patient receivables arising from individual patients, corporate accounts, health maintenance organizations and insurance companies. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition, as well as to contract assets or trade receivables that do not constitute a financing transaction in accordance with PFRS 15.

Additionally, the Group elects an accounting policy to recognize full lifetime expected losses for all contract assets and/or all trade receivables that do constitute a financing transaction in accordance with PFRS 15.

General approach

The Group applies the general approach to provide for ECLs on non-trade receivables. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition. At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- the financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

24.3.4 Measurement of ECLs

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

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24.3.5 Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as actual default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

24.3.6 Write-off

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

24.3.7 Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Any gain or loss arising on derecognition is recognized directly in profit or loss.

24.4 Financial liabilities

24.4.1 Classification and presentation

The Group classifies its financial liabilities in the following categories: (i) at amortized cost; and (ii) at fair value through profit or loss. Financial liabilities under category (ii) comprises of two sub-categories: financial liabilities classified as held for trading and financial liabilities designated by the Group as at fair value through profit or loss. Management determines the classification of its financial liabilities at initial recognition.

The Group did not hold any financial liabilities under category (ii) during and at the end of each reporting period.

Other financial liabilities at amortized cost

Other financial liabilities at amortized cost are contractual obligations which are either to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group. They are included in current liabilities, except for maturities greater than 12 months after the reporting period which are classified as non-current liabilities.

Details of the Group's financial liabilities are disclosed in Note 23.1.

24.4.2 Initial recognition and subsequent measurement

Financial liabilities are recognized when the Group becomes a party to the contract provisions of the instrument.

Financial liabilities are initially measured at fair value plus transaction costs which normally equal its nominal amount. Financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense on financial liabilities is recognized within finance cost, at gross amount, in profit or loss.

24.4.3 Derecognition

The Group removes a financial liability (or a part of a financial liability) from the consolidated statement of financial position if, and only if, it is extinguished such as when the obligation specified in the contract is discharged/settled, cancelled, expired, or there is a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) resulting to extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, are recognized in profit or loss within other income.

24.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfil an obligation.

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

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The fair value of assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the asset or liability is included in Level 2. If one or more of the significant inputs is not based on observable market data, the asset or liability is included in Level 3.

The Group uses valuation techniques that are appropriate in the circumstances and applies the technique consistently. Commonly used valuation techniques for non-financial assets are as follows:

- Market approach - A valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- Income approach - Valuation techniques that convert future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.
- Cost approach - A valuation technique that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting period, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Group has no significant financial assets and liabilities carried at fair value.

The carrying amounts of financial assets and liabilities presented in Note 23.1 approximate their fair values at reporting period, as the impact of discounting is not significant considering that financial assets and liabilities generally have short-term maturities.

Significant non-financial assets of the Group include land and buildings and building improvements which are carried at fair value under Level 3 hierarchy.

The Group has no other significant non-financial assets and liabilities carried at fair value.

24.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty. There are no financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements as at December 31, 2022 and 2021.

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Input VAT are recognized as assets to the extent it is probable that the benefit will flow to the Group. These are derecognized when applied against VAT due or when expired or written-off due to impairment.

Prepayments and other assets are included in current assets, except when the related goods or services are expected to be received or rendered more than 12 months after the reporting period which are classified as non-current assets.

24.11 Property and equipment

Property and equipment are recognized at historical cost during initial recognition. Cost includes expenditure that is directly attributable to the acquisition of the items including the cost of bringing the assets to their working condition, and any related input VAT attributable to the assets that are utilized for the supply of goods and services that are VAT exempt.

Construction in progress is stated at cost. The cost is subsequently transferred to specific property and equipment component, depending on the intended purpose of the property upon completion. All property and equipment, except for land and buildings and building improvements, are recorded at cost less accumulated depreciation and any impairment. Land and buildings and building improvements are carried at revalued amounts, which is the fair value at the date of revaluation less any subsequent accumulated depreciation on buildings and any subsequent accumulated impairment losses. Valuations are performed with sufficient regularity at least once every three to five years, enough to ensure that the fair value of a revalued asset does not differ significantly from its carrying amount. The increase of the carrying amount of an asset as a result of a revaluation is credited to other comprehensive income and accumulated in equity under the heading of 'revaluation surplus', unless it reverses a revaluation decrease previously recognized as an expense, in which case it is credited in profit or loss. A revaluation decrease is charged directly against any related revaluation surplus reserve. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost is transferred from revaluation surplus to retained earnings.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other property and equipment is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

	30 years or the remaining useful life, whichever is shorter
Buildings and building improvements	
Leasehold improvements, office and parking spaces	Lease term or useful life, whichever is shorter
Building equipment	3-15 years
Medical equipment, tools and instruments	2-10 years
Hospital furnishings, fixtures and office equipment	2-5 years

Leaseholds rights are amortized over the term of the leasehold rights while improvements thereon are depreciated over the shorter of the term of the leasehold rights and the life of the improvements.

Fully depreciated assets are retained in the property and equipment accounts until these are retired.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 24.12).

(47)

Input VAT are recognized as assets to the extent it is probable that the benefit will flow to the Group. These are derecognized when applied against VAT due or when expired or written-off due to impairment.

Prepayments and other assets are included in current assets, except when the related goods or services are expected to be received or rendered more than 12 months after the reporting period which are classified as non-current assets.

24.11 Property and equipment

Property and equipment are recognized at historical cost during initial recognition. Cost includes expenditure that is directly attributable to the acquisition of the items including the cost of bringing the assets to their working condition, and any related input VAT attributable to the assets that are utilized for the supply of goods and services that are VAT exempt.

Construction in progress is stated at cost. The cost is subsequently transferred to specific property and equipment component, depending on the intended purpose of the property upon completion. All property and equipment, except for land and buildings and building improvements, are recorded at cost less accumulated depreciation and any impairment. Land and buildings and building improvements are carried at revalued amounts, which is the fair value at the date of revaluation less any subsequent accumulated depreciation on buildings and any subsequent accumulated impairment losses. Valuations are performed with sufficient regularity at least once every three to five years, enough to ensure that the fair value of a revalued asset does not differ significantly from its carrying amount. The increase of the carrying amount of an asset as a result of a revaluation is credited to other comprehensive income and accumulated in equity under the heading of 'revaluation surplus', unless it reverses a revaluation decrease previously recognized as an expense, in which case it is credited in profit or loss. A revaluation decrease is charged directly against any related revaluation surplus reserve. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost is transferred from revaluation surplus to retained earnings.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other property and equipment is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

	30 years or the remaining useful life, whichever is shorter
Buildings and building improvements	
Leasehold improvements, office and parking spaces	Lease term or useful life, whichever is shorter
Building equipment	3-15 years
Medical equipment, tools and instruments	2-10 years
Hospital furnishings, fixtures and office equipment	2-5 years

Leaseholds rights are amortized over the term of the leasehold rights while improvements thereon are depreciated over the shorter of the term of the leasehold rights and the life of the improvements.

Fully depreciated assets are retained in the property and equipment accounts until these are retired.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 24.12).

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An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its disposal at which time the cost and their related accumulated depreciation are removed from the accounts.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are recognized within other income in profit or loss. On disposal of revalued asset, the related revaluation surplus included in equity is transferred directly to retained earnings.

24.12 Impairment of non-financial assets

Assets that have an indefinite useful life, such as land, are not subject to amortization and are tested annually for impairment. Other non-financial assets, mainly property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets that have been impaired are reviewed for possible reversal of impairment at each reporting period. Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

24.13 Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. These are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the asset is recognized at the date of derecognition.

Assets are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of an asset classified as held for sale continue to be recognized.

Assets classified as held for sale are presented separately from the other assets in the consolidated statements of financial position.

24.14 Current and deferred income tax

The income tax expense for the year comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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Deferred income tax (DIT) is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. DIT is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting period and are expected to apply when the related DIT asset is realized or the DIT liability is settled.

DIT assets are recognized for all deductible temporary difference to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized. The Group re-assesses at each reporting period the need to recognize a previously unrecognized DIT asset, if any. DIT liabilities are recognized in full for all taxable temporary differences.

DIT tax is provided on the temporary difference between the carrying amount of the revalued property and equipment and its tax base.

DIT assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the DIT assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

DIT expense or credit is recognized for changes in DIT assets and liabilities during the reporting period. Income tax expense includes income tax as currently payable and those deferred because of temporary differences in the financial and tax reporting bases of assets and liabilities, and unused tax losses and tax credits.

DIT assets and liabilities are derecognized when the related temporary differences are realized or settled.

24.15 Trade and other payables

Trade and other payables are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Group is established. These are measured at the original invoice amount (as the effect of discounting is immaterial).

Trade and other payables are classified as current liabilities if payment is due within 1 year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Trade and other payables are derecognized when the obligation under the liability is discharged or cancelled or expired.

When an existing trade payables or other current liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Refer to Note 24.4 for the initial recognition, subsequent measurement and derecognition policies on financial liabilities.

24.16 Borrowings and borrowing costs

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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Borrowings are derecognized when the obligation is settled, paid or discharged.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which these are incurred.

24.17 Provisions

Provisions, including future obligations for free medical services as discussed in Note 10, are recognized when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligations, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as finance cost in profit or loss.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed and derecognized from the consolidated statement of financial position.

24.18 Employee benefits

(a) Retirement benefits

The Parent Company has retirement plan in accordance with the local conditions and practices in the Philippines. The plan is generally funded through payments to trustee-administered funds as determined by periodic actuarial calculations. A defined benefit plan is a retirement plan that defines an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service or compensation.

The liability recognized in the consolidated statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement benefit obligation.

Remeasurements arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the period in which they arise.

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Past-service costs are recognized immediately in profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

(b) Short-term benefits

Wages, salaries, paid annual vacation and sick leave credits, and non-monetary benefits are accrued in the period in which the related services are rendered by employees of the Group. Short-term employee benefit obligations are measured on an undiscounted basis.

(c) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of PAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

24.19 Equity

Share capital and capital in excess of par value

Ordinary or common shares and preferred shares which do not have redemption features are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds, net of tax. The excess of proceeds from the issuance of shares over the par value is credited to capital in excess of par value.

Treasury shares

Where the Group purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects are included in equity attributable to the Group's equity holders.

24.20 Retained earnings; Dividend distribution

Retained earnings represent the accumulated profit or loss as a result of the operations of the Group less any dividends declared.

Dividend distribution to the Group's shareholders is recognized as a liability in the consolidated financial statements in the period in which the dividends are approved by the BOD of respective entities within the Group.

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24.21 Foreign currency transactions and translations

(a) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the “functional currency”). The consolidated financial statements are presented in Philippine Peso, which is the Group’s functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into Philippine Peso using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains or losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

24.22 Revenue recognition

The Group recognizes revenue as control is passed, either (i) over time when the customer simultaneously receives and consumes all of the benefits provided by the Group as the Group performs; or (ii) at a point in time when control is passed at a certain point in time as described below:

(a) Patient revenues

Patient revenue comprises the fair value of the consideration received or receivable from the sale of services in the ordinary course of the Group’s activities, net of VAT (if applicable) and discounts.

The Group often provides discounts and free services to underprivileged patients, senior citizens and employees. Discounts and free services are presented within “Discounts and free services” and deducted from gross revenues in profit or loss.

The Group classifies the patient revenues as in-patient, out-patient and emergency services.

In-patient, out-patient and emergency revenues are exempted from VAT, except for the sale of drugs and medicines arising from out-patient activities which are considered taxable transactions pursuant to the relevant provisions of the Consolidated Value-Added Tax Regulations of 2005 (Revenue Regulation 16-2005).

Patient revenues are recognized in the period when the services are rendered or when the Group has delivered products to the patient and the patient has accepted the products. In-patient, out-patient and emergency medical procedures are generally completed in a very short span of time and charges are captured and billed as of close of day. By the very nature of the services, no material performance obligation will remain uncompleted at each reporting period end, and thus, measuring the progress of the performance obligation is not considered necessary.

Professional fees of doctors included in the patient billing as required by BIR Revenue Regulation No. 14-2013 are recorded in a memorandum basis only as these are not revenues of the Group.

(b) Rent income

Rent income from lease of clinics and commercial spaces to doctors and concessionaires, respectively, under operating lease agreements are recognized on a straight-line basis over the term of the relevant leases and is shown within gross revenues in profit or loss.

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(c) *Interest income*

Interest income on bank deposits and short-term placements which is presented net of final taxes paid or withheld, is recognized on a time-proportion basis using the effective interest method.

(d) *Other income*

Income from other services are recognized when rendered and when it is probable that the economic benefits will flow to the Group and the amount can be measured reliably.

24.23 Costs and expenses

Costs and expenses are recognized when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Costs and expenses are recognized:

- (i) on the basis of a direct association between the costs incurred and the earning of specific items of income;
- (ii) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or
- (iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the statement of assets, liabilities and equity account.

Costs and expenses are presented in the profit or loss according to their function.

24.24 Leases

When the Group is the lessee

Until December 31, 2018, leases of office space, parking spaces, equipment and vehicles were classified as either finance leases or operating leases. From January 1, 2019, the Group recognizes leases as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use.

Assets and liabilities arising from a lease are initially measured on a present value basis. The interest expense is recognized in the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

(i) *Measurement of lease liabilities*

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, if any
- amounts expected to be payable by the lessee under residual value guarantees, if any
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- payments of penalties, if any, for terminating the lease, if the lease term reflects the lessee exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Group's leases, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held for entities which do not have recent third party financing, and
- makes adjustments specific to the lease (i.e., term, currency and security).

Lease payments are allocated between principal and interest expense. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(ii) Measurement of right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs, if any.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

While the Group revalues its land and buildings and building improvements that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use office and parking spaces held by the Group.

(iii) Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(iv) Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets (assets with value of P250 or less) comprise IT-equipment, vehicles, and small items of office furniture.

When the Group is the lessor

Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating lease. Operating lease payments received are recognized as an income on a straight-line basis over the lease term.

Refundable deposits

Refundable deposit to guarantee the faithful compliance of the lessee of all the terms and conditions of the contract and answer for the obligations at the end of the contract is initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

Refundable deposits are included in current assets (when the Group is the lessee) or liabilities (when the Group is the lessor), except when those are expected to be received more than 12 months after the reporting period which are classified as noncurrent assets or noncurrent liabilities.

24.25 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of common shares in issue during the year, excluding common shares purchased by the Group and held as treasury shares (Note 24.19).

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares at issue date.

24.26 Related party relationships and transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercises significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

24.27 Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group's management assesses the performance and allocates the resources of the Group as a whole, as all of the Group's activities are considered to be primarily healthcare services. Therefore, management considers there is only one operating segment under the requirements of PFRS 8, Operating Segments. In this regard, no segment information is presented.

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24.28 Subsequent events (or events after the reporting date)

Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

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REIMAGINING THE FUTURE OF PATIENT CARE

2022 ANNUAL REPORT



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