

Republic of the Philippines
HOUSE OF REPRESENTATIVES

FIFTEENTH CONGRESS
FIRST REGULAR SESSION

HOUSE BILL NO. 1612

Introduced by HON. MARIA MILAGROS "MITOS" H. MAGSAYSAY

EXPLANATORY NOTE

It is the declared policy of the state to improve the quality and delivery of health care services to the citizenry, a policy now enunciated expressly in several of the government's health laws. This is rooted in the constitution which directs the State to "adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all people at affordable cost."

However, one area which has yet to be clearly included in this "comprehensive approach to health development" and made "available to all people at affordable cost" is the field of traditional and alternative medicine and health care. While we already have Republic Act No. 8423, approved December 9, 1997, creating the Philippine Institute of Traditional and Alternative Health Care and seeking to accelerate the development of traditional and alternative health care, the thrust is essentially still in the direction of research, development and policy formulation for which a Traditional and Alternative Health Care Development Fund have been established. The inclusion of traditional medicine and "traditional healers" or herbal medicine and "herbal doctors" in the coverage of PHILHEALTH for purposes of extending affordable health care services to the people is yet to be realized.

Recent studies around the world have confirmed at least two things: (1) herbal medicines are the staple of medical treatment in many developing countries and literature abounds "with efficacy and safety studies of many herbal medicines"; and (2) the increased use of herbal medicines - as shown by historical and empirical evidence - has "potential for improving public health and lowering health care costs."

Here at home, Filipinos have always turned to plants and nature to seek cures for their illness. It is recognized even by medical authorities that a significant segment of our

people, not necessarily limited to the rural areas, have resorted to or availed of traditional medicine and/or herbal treatment to help maintain and improve their health or cure their ailments. The impact of traditional medical treatment – and the wonders of herbal treatment, if you will – on public health care is clearly there for all to appreciate. But this recognition is not matched by the inclusion of traditional medicine or herbal medicine practitioners or facilities, institutions or community-based organizations having them as a qualified health care provider under Republic Act No. 7875 (National Health Insurance Program), as amended by RA No. 9241, which is what public health care is all about.

The attached bill therefore seeks to amend existing laws to have this realized, by including professionals engaged in traditional medical treatment or herbal treatment, respected and recognized people or institutions in the community with a profound knowledge or acknowledged expertise in traditional or herbal medicines, as a qualified health care provider. This would not be subject to abuse, as some medical practitioners fear, because strict safeguards will be in place. The proposed legislation thus would have the Department of Health and the PITAHC and PHILHEALTH promulgate the rules and regulations, the standards and guidelines to assure the strict implementation of the law and achieve the basic objective of providing lower costs of health services

In this context, approval of the bill is earnestly sought.



MARIA MILAGROS "MITOS" H. MAGSAYSAY

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Introduced by HON. MARIA MILAGROS "MITOS" H. MAGSAYSAY

AN ACT
FURTHER AMENDING REPUBLIC ACT NO. 7875, OTHERWISE KNOWN AS "AN
ACT INSTITUTING A NATIONAL HEALTH INSURANCE PROGRAM FOR ALL
FILIPINOS AND ESTABLISHING THE PHILIPPINE HEALTH INSURANCE
CORPORATION FOR THE PURPOSE"

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress
Assembled :*

1 SECTION 1. *Declaration of Policy* - It is hereby the declared policy of the State
2 to recognize the use and advocacy of alternative health care , traditional and herbal
3 medicines and healing methods as safe, reliable and effective health services and to
4 integrate them into the government's national health insurance program ,consistent with
5 the mandate of the State to adopt an integrated and comprehensive approach to health
6 development and to make available health services to all people at affordable costs.

7 SEC. 2. Section 4 of Republic Act No. 7875 is hereby further amended to read as
8 follows :

9 "Sec. 4. *Definition of Terms.* - For the purpose of this Act, the following terms
10 shall be defined as follows:

11 a) *Beneficiary* - Any person entitled to health care benefits under this Act.

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- 1 b) *Benefit Package* – Services that the Program offers to its members.
- 2 c) *Capitation* – A payment mechanism where a fixed rate, whether per person,
3 family, household, or group, is negotiated with a health care provider who
4 shall be responsible for delivering or arranging for the delivery of health
5 services required by the covered person under the conditions of a health care
6 provider contract.
- 7 d) *Contribution* – The amount paid by or in behalf of a member to the Program
8 for coverage, based on salaries or wages in the case of former sector
9 employees, and on household earnings and assets, in the case of self-
10 employed, or on other criteria as may be defined by the Corporation in
11 accordance with the guiding principles set forth in Article 1 of this Act.
- 12 e) *Coverage* – The entitlement of an individual, as a member or as a dependent,
13 to the benefits of the Program.
- 14 f) *Dependent* – The legal dependents of a member are: 1) the legitimate spouse
15 who is not a member; 2) the unmarried or unemployed legitimate, legitimated,
16 illegitimate, acknowledged children as appearing in the birth certificate;
17 legally adopted or stepchildren below twenty-one (21) years of age; 3)
18 children who are twenty-one (21) years old or above but suffering from
19 congenital disability, either physical or mental, or any disability acquired that
20 renders them totally dependent on the member for support; 4) the parents who
21 are sixty (60) years old or above whose monthly income is below an amount
22 to be determined by the Corporation in accordance with the guiding principles
23 set forth in Article I of this Act.
- 24 g) *Diagnostic Procedure* - Any procedure to identify a disease or condition
25 through analysis and examination.
- 26 h) *Emergency* – An unforeseen combination of circumstances which calls for
27 immediate action to preserve the life of a person or to preserve the sight of
28 one or both eyes; the hearing of one or both ears; or one or two limbs at or
29 above the ankle or wrist.
- 30 i) *Employee* – Any person who performs services for an employer in which
31 either or both mental and physical efforts are used and who receives
32 compensation for such services, where there is an employer-employee
33 relationship.
- 34 j) *Employer* – A natural or juridical person who employs the services of an
35 employee.
- 36 k) *Enrollment* – The process to be determined by the Corporation in order to
37 enlist individuals as members or dependents covered by the Program.

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1 l) *Fee for Service* – A reasonable and equitable health care payment system
2 under which physicians and other health care providers receive a payment that
3 does not exceed their billed charge for each unit of service provided.

4 m) *Global Budget* – An approach to the purchase of medical services by which
5 health care provider negotiations concerning the costs of providing a specific
6 package of medical benefits is based solely on a predetermined and fixed
7 budget.

8 n) *Government Service Insurance System* – The Government Services Insurance
9 System created under Commonwealth Act No. 186, as amended.

10 o) Health Care Provider – Refers to:

11 (1) a health care institution, which is duly licensed and accredited devoted
12 primarily to the maintenance and operation of facilities for health
13 promotion, prevention, diagnosis, treatment, and care of individuals
14 suffering from illness, disease, injury, disability or deformity, drug
15 addiction or in need of obstetrical or other medical and nursing care.
16 It shall also be construed as an institution, building, or place where
17 there are installed beds, cribs, or bassinets for twenty-four hour use or
18 longer by patients in the treatment of diseases, injuries, deformities, or
19 abnormal physical and mental states, maternity cases or sanitarial
20 care; or infirmaries, nurseries, dispensaries, rehabilitation centers and
21 such other similar names by which they may be designated; or

22 (2) a health care professional, who is any doctor of medicine, nurse,
23 midwife, dentist, or other health care professional or practitioner duly
24 licensed to practice in the Philippines and accredited by the
25 Corporation; or

26 (3) a health maintenance organization, which is an entity that provides,
27 offers, or arranges for coverage of designated health services needed
28 by plan members for a fixed prepaid premium;

29 (4) a community-based health care organization, which is an association
30 of indigenous members of the community organized for the purpose
31 of improving the health status of that community through preventive,
32 promotive and curative health services;

33 (5) a health care professional or respected practitioner engaged in the
34 practice of alternative health care or treatment , traditional
35 medicine or healing by herbal medicines ; or

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- (6) a community-based organization, an association of indigenous members of the community organized for the purpose of improving the health conditions of that community through the use of traditional medicine, alternative health care or herbal healing or treatment services.
- p) *Health Insurance Identification (ID) Card* – The document issued by the Corporation to members and dependents upon their enrollment to serve as the instrument for proper identification, eligibility verification, and utilization recording.
- q) *Indigent* - A person who has no visible means of income, or whose income is insufficient for the subsistence of his family, as identified by the Local Health Insurance Office and based on specific criteria set by the Corporation in accordance with the guiding principles set forth in Article I of this Act.
- r) *Inpatient Education Package* – A set of informational services made available to an individual who is confined in a hospital to afford him with knowledge about his illness and its treatment, and of the means available, particularly lifestyle changes, to prevent the recurrence or aggravation of such illness and to promote his health in general.
- s) *Member* – Any person whose premiums have been regularly paid to the National Health Insurance Program. He may be a paying member, an indigent member, or a pensioner/retiree member.
- t) *Means Test* – A protocol administered at the barangay level to determine the ability of individuals or households to pay varying levels of contributions to the Program, ranging from the indigent in the community whose contributions should be totally subsidized by government; to those who can afford to subsidize part but not all the required contributions for the Program.
- u) *Medicare* – The health insurance program currently being implemented by the Philippine Medical Care Commission. It consists of :
- (1) Program I, which covers members of the SSS and GSIS including their legal dependents; and
 - (2) Program II, which is intended for those not covered under Program I.
- v) *National Health Insurance Program* – The compulsory health insurance program of the government as established in this Act, which shall provide universal health insurance coverage and ensure affordable, acceptable, available and accessible health care services for all citizens in the Philippines.
- w) *Pensioner* – An SSS or GSIS member who receives pensions therefrom.

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- 1 x) *Personal Health Services* – Health services in which benefits accrue to the
2 individual person. There are categorized into inpatient and outpatient
3 services.
- 4 y) *Philippine Medical Care Commission* – The Philippine Medical Care
5 Commission – The Philippine Medical Care Commission created under
6 Republic Act No. 6111, as amended.
- 7 z) *Philippine National Drug Formulary* – The essential drugs list for the
8 Philippines which is prepared by the National Drug Committee of the
9 Department of Health in consultation with experts and specialists from
10 organized professional medical societies, medical academe and the
11 pharmaceutical industry and which is updated every year.
- 12 aa) *Portability* – The enablement of a member to avail of Program benefits in an
13 area outside the jurisdiction of his Local Health Insurance Office.
- 14 bb) *Prescription Drug* - A drug which has been approved by the Bureau of Food
15 and Drug and which can be dispensed only pursuant to a prescription order
16 from a physician who is duly licensed to do so.
- 17 cc) *Public Health Services* – Services that strengthen preventive and promotive
18 health care through improving conditions in partnership with the community
19 at large. These include control of communicable and non-communicable
20 diseases, health promotion, public information and education, water and
21 sanitation, environmental protection, and health-related data collection,
22 surveillance, and outcome monitoring.
- 23 dd) *Quality Assurance* – A formal set of activities to review and ensure the quality
24 of services provided. Quality assurance includes quality assessment and
25 corrective actions to remedy any deficiencies identified in the quality of direct
26 patient, administrative, and support services.
- 27 ee) *Residence* – The place where the member actually lives.
- 28 ff) *Retiree* – A member of the Program who has reached the age of retirement or
29 who was retired on account of disability.
- 30 gg) *Self-employed* – A person who works for himself and is therefore both
31 employee and employer at the same time.
- 32 hh) *Social Security System* – The Social Security System created under Republic
33 Act No. 1161, as amended.

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1 ii) *Treatment Procedure* – Any method used to remove the symptoms and cause
2 of a disease.

3 jj) *Utilization Review* – A formal review of patient utilization or of the
4 appropriateness of health care services, on a prospective, concurrent or
5 retrospective basis.

6 kk) *Rehabilitation Center* – Refers to a facility, which undertakes rehabilitation of
7 drug dependents. It includes institutions, agencies and the like which have for
8 their purpose, the development of skills, or which provides counseling, or
9 which seeks to inculcate, social and moral values to clientele who have a drug
10 problem with the aim of weaning them from drugs and making them drug
11 free, adapted to their families and peers, and readjusted into the community as
12 law-abiding, useful and productive citizens.

13 ll) *Home Care and Medical Rehabilitation Services* – Refer to skilled nursing
14 care, which members get in their homes/clinics for the treatment of an illness
15 or injury that severely affects their activities or daily living. Home care and
16 medical rehabilitation services include hospice or palliative care for people
17 who are terminally ill but does not include custodial and non-skilled personal
18 care.

19 mm) *Traditional Medicine* – refers to the sum total of knowledge, skills and
20 practice on health care, not necessarily explicable in the context of
21 modern , scientific philosophical framework, but recognized by the
22 people to maintain and improve their health towards the wholeness of
23 their being , the community and society, and their interrelations based on
24 culture , history, heritage and consciousness.

25 nn) *Alternative Health Care* - refers to the sum total of knowledge, skills and
26 practice on health care or healing methods used in the prevention ,
27 diagnosis and elimination of physical or mental disorder, which include
28 reflexology, acupuncture, massage , acupressure , chiropractics,
29 nutritional therapy and other similar methods.

30 oo) *Herbal Medicines* - finished, labeled, medicinal products that contain as
31 active ingredient/s aerial or underground part/s of plant or other
32 materials or combination thereof , whether in the crude state or as plant
33 preparations. Plant material includes juices, gums, fatty oils, essential oils
34 and other substances of this nature .

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1 SEC. 3. Section 54 of the Act is hereby amended to read as follows:

2 "SEC. 54. *Oversight Provision.* - Congress shall conduct a regular review of the
3 National Health Insurance Program, which shall entail a systematic evaluation of the
4 Program's objectives or goals. Such review shall be undertaken by the Committees of
5 the Senate and the House of Representative, which have legislative jurisdiction over the
6 Program.

7 The National Economic and Development Authority, in coordination with the
8 National Statistics Office and the National Institutes of Health of the University of the
9 Philippines, **including the Philippine Institute of Traditional and Alternative Health**
10 **Care in the case of alternative health care, traditional medicine and herbal health**
11 **care services**, shall undertake studies to validate the accomplishments of the Program.
12 The budget required to undertake such study shall come from the income of the
13 PhilHealth."

14 SEC. 4. *Rules and Regulations* - The Department of Health shall, upon the
15 recommendation of the Philippine Institute of Traditional and Alternative Health Care ,
16 the Philippine Health Insurance Corporation (PHILHEALTH) and the National
17 Institutes of Health of the University of the Philippines, promulgate the necessary rules
18 and regulations for the effective implementation of this Act. Implementation may initially
19 be done on a limited scale or pilot basis until such time that full and nationwide
20 implementaion may be warranted as may be properly determined by the Department of
21 Health in consultation with PHILHEALTH.

22 SEC. 5. *Separability Clause* - If any part or provision of this Act shall be held
23 unconstitutional or invalid, other provisions, which are not affected thereby, shall
24 continue to be in full force and effect.

25 SEC. 6 *Effectivity* - This Act shall take effect fifteen (15) days after its
26 publication in at least three (3) national newspapers of general circulation..

Approved,