

FIFTEENTH CONGRESS

First Regular Session

House Bill No. **2441**

Introduced by **HONORABLE IGNACIO T. ARROYO**

EXPLANATORY NOTE

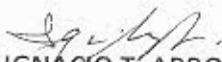
The 1987 Constitution provides that the State recognizes the vital role of the youth in nation-building and shall promote and protect their physical, moral, spiritual, intellectual and social well-being (Article II, Section 13).

For reason of poverty, a significant number of our children are likely to be illiterate, malnourished and prone to abuse and physical violence. Even where health care services are available, the cost of seeking care may delay or prevent poor households from accessing them. While the National Health Insurance Act or PHILHEATH Act provides all citizens, especially the poor, financial access to health services through a National Health Insurance Program (NHIP) which resulted in marked gains in the delivery of basic health care services in the country, there still remain major challenges facing the country's health sector.

For instance, a report from the United Nations Children's Fund (UNICEF) estimated that around three (3) million children in the Philippines are suffering from stunted growth as a result of chronic maternal and childhood undernutrition. These children are susceptible to different illnesses. While insurance can provide financial protection in times of ill health, in the Philippines however, the World Health Organization reports that only 11.3% of members of the Philippine Health Insurance Corporation are poor. Lacking insurance and savings, poor households must often borrow money or sell productive assets to cover the cost of seeking care especially for their children.

Hence, this measure proposes to increase and expand the scope and coverage of our National Health Insurance Program to include children, to make them not only dependents but beneficiaries as well. The Children's Health Insurance Program (CHIP), as proposed, is designed for low-income families who cannot afford to insure the health needs of their children.

Hence, immediate passage of this bill is earnestly sought.


IGNACIO T. ARROYO

Representative

5th District, Negros Occidental

FIFTEENTH CONGRESS

First Regular Session

House Bill No. 2441

Introduced by HON. IGNACIO T. ARROYO

AN ACT

INSTITUTING MECHANISMS FOR THE ESTABLISHMENT OF A CHILDREN'S HEALTH INSURANCE PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7875, OTHERWISE KNOWN AS "THE NATIONAL HEALTH INSURANCE ACT OF 1995" AS AMENDED BY REPUBLIC ACT 9241 AND FOR OTHER PURPOSES

Be enacted by the Senate and the House of Representatives in Congress duly assembled:

SECTION 1. Section 4 of Republic Act No. 7875 is hereby amended to read as follows:

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

xxx

(d) CHILD HEALTH ASSISTANCE – A RANGE OF HEALTH CARE AND SUPPORT SERVICES INCLUDING, BUT NOT LIMITED TO, PHYSICIAN SERVICES AND ANY OTHER MEDICAL, DIAGNOSTIC, SCREENING, PREVENTIVE, RESTORATIVE, REMEDIAL, THERAPEUTIC OR REHABILITATIVE SERVICES;

xxx

(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, a QUALIFIED CHILD MEMBER, or a pensioner/ retiree member.

xxx

(dd) QUALIFIED MEMBER- ANY CHILD OF A LOW INCOME FAMILY UNDER 6 YEARS OF AGE OR OVER BUT WHO ARE UNABLE TO FULLY TAKE CARE OF THEMSELVES OR PROTECT THEMSELVES FROM ABUSE, NEGLECT, CRUELTY, EXPLOITATION OR DISCRIMINATION BECAUSE OF A PHYSICAL, MENTAL DISABILITY OR CONDITION AND WHOSE FAMILY IS BELOW POVERTY LINE, AND DETERMINED AS SUCH BY THE PERTINENT GOVERNMENT AGENCY

Sec. 2 Section 5 of the same act shall now read as follows:

"Sec. 5. Establishment and Purpose. – There is hereby created the National Health Insurance Program which shall provide health insurance coverage and ensure

SHALL INITIATE AND EXPAND THE PROVISION OF CHILD HEALTH ASSISTANCE TO INCLUDE A CHILD HEALTH INSURANCE PROGRAM FOR UNINSURED, LOW-INCOME CHILDREN IN AN EFFECTIVE AND EFFICIENT MANNER THAT IS COORDINATED WITH OTHER SOURCES OF HEALTH BENEFITS COVERAGE FOR CHILDREN. xxx.

Sec. 3 Section 6 of the same act shall now read as follows:

"Sec. 6. All citizens of the Philippines, WHETHER CHILD OR ADULT shall be covered by the National Health Insurance Program. In accordance with the principles of universality and compulsory coverage enunciated in Section 2 (b) and 2 (1) hereof, implementation of the program shall, furthermore, be gradual and phased in over a period of not more than fifteen (15) years: Provided, that the program shall not be made compulsory in certain provinces and cities until the corporation shall be able to ensure that members in such localities shall reasonable access to adequate and acceptable health care services"

Sec. 4 Section 7 of the same act shall now read as follows:

"Sec. 7 enrollment.- The program shall enroll beneficiaries in order for them to placed under coverage that entitles them to avail of benefits with the assistance of the financial arrangements provided by the Program. The process of enrollment shall include the identification of beneficiaries, issuance of appropriate documentation specifying eligibility to benefits, and indicating how membership was obtained or is maintained. The enrollment shall proceed in accordance with these specific policies:

- (a) xxxxxx
- (b) xxxxxx
- (c) xxxxxx and
- (d) xxxxxx

All indigents AND QUALIFIED CHILD MEMBER not enrolled in the program shall have priority in the use and availment of the services and facilities of government hospitals, health care personnel and other health organizations: Provided, however, that such government health care providers shall ensure that said indigents AND QUALIFIED CHILD MEMBER shall subsequently be enrolled in the program."

Sec. 5 Section 12 of the same act shall now read as follows:

"Sec. 12. Entitlement of Benefits.- xxx

The following need not pay the monthly contributions to be entitled to the program's benefits: Retirees and pensioners of the SSS and GSIS prior to the effectivity of this act; Members who reach the age of retirement as provided for by

1 "Section 28. Contributions.- all members of the program shall contribute to
2 the fund, in accordance with a reasonable. Equitable and progressive contribution
3 schedule to be determined by the corporation on the basis of applicable actuarial
4 studies and in accordance with the following guidelines:

5 Xxx

6 Xxx

7 "CONTRIBUTIONS MADE IN BEHALF OF A QUALIFIED CHILD MEMBER SHALL
8 NOT EXCEED THE MINIMUM CONTRIBUTIONS SET FOR EMPLOYED MEMBERS"

9 **Sec. 7.** A new Section 30 is hereby added to read as follows:

10 "Sec. 30. Payment for a Child Beneficiary's Contribution.-
11 CONTRIBUTIONS FOR QUALIFIED CHILDREN BENEFICIARIES SHALL BE
12 SUBSIDIZED PARTIALLY BY THE LOCAL GOVERNMENT UNIT WHERE THE
13 MEMBER RESIDES. THE CORPORATION SHALL PROVIDE COUNTERPART
14 FINANCING EQUAL TO THE LGUS SUBSIDY FOR CHILDREN. THE SHARE OF THE
15 LGUS SHALL BE PROGRESSIVELY INCREASED UNTIL SUCH TIME THAT ITS
16 SHARE BECOMES EQUAL TO THAT OF THE NATIONAL GOVERNMENT."

17 **Sec. 8 Implementing Rules and Regulations.** - Within thirty (30) days from the effectivity of
18 this Act, the Board of Directors of the Philippine Health Insurance Corporation (PHIC) shall
19 convene to formulate the rules and regulations for the implementation of this Act.

20 **Sec. 9 Separability Clause.** - If any part or provision of this Act shall be held unconstitutional
21 or invalid, other provisions which are not affected thereby shall continue to be in full force
22 and effect.

23 **Sec. 10 Repealing Clause.** - All laws, presidential decrees, executive orders, rules and
24 regulations or parts thereof which are deemed inconsistent with the provisions of this Act
25 are hereby repealed, amended or modified accordingly.

26 **Sec. 11 Effectivity Clause.** - This act shall take effect fifteen (15) days following its full and
27 complete publication in an official gazette or in at least two (2) newspaper of general
28 circulation, whichever comes first.

Approved,