

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City, Metro Manila\

FIFTEENTH CONGRESS  
First Regular Session

House Bill No. 4150



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*Introduced by Representative Feliciano Belmonte, Jr. and  
Representative Neptali M. Gonzales II*

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#### EXPLANATORY NOTE

It is the policy of the State to "adopt an integrated and comprehensive approach to health development which shall endeavour to make essential goods, health and other social services available to all people at affordable costs". R.A. 7875, otherwise known as the "National Health Insurance Act of 1995", mandates that an affordable and accessible health care coverage should be made available to all citizens. However access to health care remains to be a problem, most specially to the poor segments of the population.

This bill aims to provide a definite targeting strategy in identifying the poor and thus, hasten the process of identifying the indigent Filipinos through the use of a means test set by the national government. In doing so, this will allow the national government to effectively use funds to provide health insurance coverage for the said group. Finally, the bill seeks to establish a roadmap towards universal health care through a refocused and strengthened PhilHealth.

In view of the foregoing, approval of this bill is earnestly sought.

  
FELICIANO BELMONTE, JR.

NEPTALI M. GONZALES II

6 HOUSE OF REPRESENTATIVES

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8 H.B. No. 4150  
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11 Introduced by Representative Feliciano R. Belmonte, Jr. and  
12 Representative Neptali M. Gonzales II  
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15 **AN ACT PROVIDING A DEFINITE TARGETING STRATEGY IN IDENTIFYING THE**  
16 **POOR, AMENDING REPUBLIC ACT NO. 7875 OTHERWISE KNOWN AS THE**  
17 **NATIONAL HEALTH INSURANCE ACT OF 1995 AS AMENDED, AND FOR OTHER**  
18 **PURPOSES**  
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20 *Be it enacted by the House of Representatives and Senate in Congress of the*  
21 *Philippines assembled:*  
22

23 **SECTION 1.** Sec. 4, Article II of Republic Act No. 7875, is hereby further  
24 amended by adding the following definitions accordingly.  
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26 "SEC. 4. *Definition of Terms.* – For the purpose of this Act, the following terms  
27 shall be defined as follows:  
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29 q) Indigent – A person who has no visible means of income, or whose income is  
30 insufficient for the subsistence of his family based on specific criteria set by the  
31 Department of Health in accordance with the guiding principles set forth in Article I of  
32 this Act.  
33

34 mm) INFORMAL SECTOR – REFERS TO THAT SECTOR CONSISTING OF  
35 ECONOMIC UNITS ENGAGED IN THE PRODUCTION OF GOODS AND SERVICES  
36 WITH THE PRIMARY OBJECTIVE OF GENERATING EMPLOYMENT AND INCOMES  
37 TO THE PERSONS CONCERNED IN ORDER TO EARN A LIVING, INCLUDING  
38 HOUSEHOLD UNINCORPORATED ENTERPRISES THAT ARE MARKET AND NON-  
39 MARKET PRODUCERS OF GOODS AS WELL AS MARKET PRODUCERS OF  
40 SERVICES. TO THIS SECTOR BELONG, AMONG OTHERS, STREET HAWKERS,  
41 MARKET VENDORS, PEDICAB AND TRICYCLE DRIVERS, SMALL CONSTRUCTION  
42 WORKERS AND HOME-BASED INDUSTRIES AND SERVICES.  
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45 **SEC. 2.** Section 16 of the same act is hereby further amended to read as  
46 follows:  
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48 "Sec. 16. Powers and Functions. – The Corporation shall have the following  
49 powers and functions:  
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51 (r) TO VISIT, ENTER AND INSPECT FACILITIES OF HEALTH CARE  
52 PROVIDERS AND EMPLOYERS AND TO SECURE COPIES OF THEIR MEDICAL  
53 AND FINANCIAL RECORDS AS WELL AS THAT OF THEIR PATIENTS OR  
54 EMPLOYEES, WHERE APPLICABLE, WHO ARE BENEFICIARIES OR MEMBERS OF  
55 THE PROGRAM.

1 (s) TO ENTER INTO AGREEMENTS WITH NATIONAL AGENCIES AND  
2 LOCAL GOVERNMENTS TO REQUIRE PROOF OF PHILHEALTH MEMBERSHIP  
3 BEFORE TRANSACTING WITH PRIVATE INDIVIDUALS OR GROUPS.  
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5 **SEC.3.** Section 18 of the same Act, is hereby amended to read as follows:

6 *Sec. 18. The Board of Directors.* – (a) Composition – The Corporation shall be governed by a  
7 Board of Directors hereinafter referred to as the Board, composed of the following members:

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9 The Secretary of Health;

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11 The Secretary of Labor and Employment or his representative;

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13 The Secretary of the Interior and Local Government or his Representative;

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15 The Secretary of Social Welfare and Development or his Representative;

16  
17 The President of the Corporation;

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19 A representative of the labor sector;

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21 A representative of employers;

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23 The SSS Administrator or his representative;

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25 The GSIS General Manager or his representative;

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27 The Vice chairperson for the basic sector of the National Anti-Poverty Commission or his  
28 representative;

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30 A representative of Filipino overseas workers;

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32 A representative of the self-employed sector; and

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34 A representative of health care providers to be endorsed by the national associations of  
35 health care institutions and medical health professionals.

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37 A REPRESENTATIVE OF THE LEAGUE OF PROVINCES OF THE PHILIPPINES

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39 A REPRESENTATIVE OF THE UNION OF LOCAL AUTHORITIES OF THE PHILIPPINES

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41 The Secretary of Health shall be the ex officio Chairperson while the President of the  
42 Corporation shall be the Vice Chairperson of the Board.

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45 **SEC. 4.** Section 28 of the same Act, is hereby amended as follows:

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47 “Sec. 28 Contributions. – All enrolled members who can afford to pay shall  
48 contribute to the Fund, in accordance with a reasonable, equitable and  
49 progressive contribution schedule.

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51 b) CONTRIBUTIONS FROM THE INFORMAL SECTOR SHALL BE BASED  
52 PRIMARILY ON HOUSEHOLD EARNINGS AND ASSETS.  
53

54 **SEC. 5 .** Section 29 of the same Act is hereby amended to read as follows:

1 "SEC. 29. *Payment for Indigent Contributions.* - CONTRIBUTIONS FOR THE PHILIPPINE  
2 POPULATION BELONGING TO THE POOREST 20% OF THE POPULATION AS  
3 IDENTIFIED BY A MEANS TEST DETERMINED BY THE DEPARTMENT OF HEALTH  
4 SHALL BE SUBSIDIZED ENTIRELY BY THE NATIONAL GOVERNMENT. ALLOCATION  
5 FOR THE ENROLLMENT OF THESE INDIGENTS SHALL BE APPROPRIATED IN THE  
6 GENERAL APPROPRIATIONS ACT AS A SEPARATE LINE ITEM IN THE DEPARTMENT  
7 OF HEALTH BUDGET AND INCREASED ANNUALLY TO COVER FOR PROPORTIONATE  
8 INCREASE IN THE NUMBER OF THE POOR BASED ON THE POPULATION GROWTH  
9 RATE. THE NEXT POOREST 20% OF THE POPULATION OR THE POOR AS IDENTIFIED  
10 BY THE SAME MEANS TEST SHALL BE SUBSIDIZED ENTIRELY BY THE LOCAL  
11 GOVERNMENT UNITS OR BY COST SHARING MECHANISMS BETWEEN THE LOCAL  
12 GOVERNMENT AND THE PRIVATE SECTOR.

13       **SEC. 6. *Implementing Rules & Regulations*** - The Department of Health (DOH) and  
14 the Philippine Health Insurance Corporation (PhilHealth) shall issue the necessary rules and  
15 regulations to implement the provisions of this Act.

16       **SEC. 7. *Repealing Clause*** - All laws, issuances or any part thereof inconsistent with  
17 this Act are hereby repealed or modified accordingly.

18       **SEC. 8. *Effectivity.*** - This Act shall take effect fifteen (15) days after its complete  
19 publication in the Official Gazette or in at least two (2) national newspapers of general  
20 circulation.

21       Approved,  
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