

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

House Bill No. 204



INTRODUCED BY REPRESENTATIVE ARTHUR C. YAP

EXPLANATORY NOTE

This bill seeks to develop and expand public health infrastructure and services in the Philippines, utilizing a portion of the reserve funds of the Philippine Insurance Corporation, or the Philhealth.

This is a re-filing of the old Senate Bill No. 2653, authored by the Hon. Ralph G. Recto. Unlike the Senate Bill, however, the poorest municipalities and/or barangays, without, or without sufficient, public healthcare infrastructure and services, as determined by the Department of Health, Philhealth and the Department of Interior and Local Government (DILG), shall enjoy priority in the funding. Also, after its construction, the operations of such health facilities shall be operated by the Barangay Government under the joint supervision of the DOH and Philhealth.

It is a conceded fact that there are several gaps in the accessibility of free health care. This is the reality, most especially in the far flung countryside, wherein there are without or even no functional public health care systems and services. There is a grave need to construct public health care centers and clinics. And, these should be sufficiently equipped, not just with facilities and equipment, but with manpower, properly trained health workers.

Yet, the predicament of scarcity of funding by the National Government always hangs in the air.

Nevertheless, government owned and controlled corporations, like the Philhealth, (which is really owned by its members) can be sought to provide assistance. Philhealth reported a net reserve fund of more than P100 Billion. Fifty percent of this amount would go a long way in developing and expanding to the poorest of the poor Filipinos free public health infrastructure and services.

In view of the foregoing, the immediate passage of the bill is earnestly sought.


ARTHUR C. YAP
Representative

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AN ACT
DEVELOPING AND EXPANDING PUBLIC HEALTH
INFRASTRUCTURE AND SERVICES, UTILIZING AND
APPROPRIATING A PORTION OF THE RESERVE FUND OF
THE PHILHEALTH FOR THE PURPOSE, AMENDING SECTION
27 OF REPUBLIC ACT NO. 7875, OTHERWISE KNOWN AS THE
"NATIONAL HEALTH INSURANCE ACT OF 1995, AND FOR
OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled.

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “Public Health
2 Infrastructure and Services Development and Expansion Act of 2013”.

3 **SECTION 2. *Utilization of a Portion of Philhealth Reserve Funds to Fund the***
4 ***Development and Expansion of Public Health Infrastructure and Services.***– Section
5 27 of Republic Act No. 7875, otherwise known as the "National Health Insurance Act of
6 1995", is hereby amended to read as follows:

7 **"SECTION 27. *Reserve Fund.*** - The Corporation shall set aside a
8 portion of its accumulated revenues not needed to meet the cost of the
9 current year's expenditures as reserve funds: Provided, That the total
10 amount of reserves shall not exceed a ceiling equivalent to the amount
11 actuarially estimated for ~~[two]~~ **ONE** years' projected Program
12 expenditures: Provided, further, That whenever actual reserves exceed the
13 required ceiling at the end of the Corporation's fiscal year, the Program's

benefits shall be increased or member contributions decreased prospectively in order to adjust expenditures or revenues to meet the required ceiling for reserve funds. Such portions of the reserve fund as are not needed to meet the current expenditure obligations shall be invested in short-term investments to earn an average annual income at prevailing rates of interest and shall be known as the "Investment Reserve Fund" which shall be SET ASIDE TO BE USED FOR THE FOLLOWING PURPOSES:

1. FIFTY PERCENT (50%) OF THIS AMOUNT SHALL BE AUTOMATICALLY EARMARKED TO AUGMENT THE DEPARTMENT OF HEALTH'S (DOH) HEALTH FACILITIES ENHANCEMENT PROGRAM FOR THE NEXT FISCAL YEAR AND SHALL BE KNOWN AS THE "EXPANDED PUBLIC HEALTH CARE INFRASTRUCTURE AND SERVICES FUND."

THE POOREST MUNICIPALITIES AND/OR BARANGAYS, WITHOUT, OR WITHOUT SUFFICIENT, PUBLIC HEALTHCARE INFRASTRUCTURE AND SERVICES, AS DETERMINED BY THE DOH, PHILHEALTH AND THE DEPARTMENT OF INTERIOR AND LOCAL GOVERNMENT (DILG), SHALL ENJOY PRIORITY IN THE FUNDING.

AFTER ITS CONSTRUCTION, THE OPERATIONS OF SUCH HEALTH FACILITIES SHALL BE OPERATED BY THE BARANGAY GOVERNMENT UNDER THE JOINT SUPERVISION OF THE DOH AND PHILHEALTH.

2. THE REMAINING FIFTY PERCENT (50%) SHALL BE invested in any or all of the following:

xxx

1 **SECTION 3. *Separability Clause.*** - If any provision of this Act, or any part
2 thereof, is declared unconstitutional, the same shall not affect the validity and effectivity
3 of the other portions.

4 **SECTION 4. *Repealing Clause.*** - All laws, executive orders, presidential
5 decrees, proclamations, rules, regulations, issuances and enactments of parts thereof
6 inconsistent with this Act are hereby repealed or modified accordingly.

7 **SECTION 5. *Effectivity.*** - This Act shall take effect fifteen (15) days from its
8 complete publication in the Official Gazette or in a newspaper of general circulation in
9 the Philippines, whichever comes earlier.

APPROVED.