

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10669



Introduced by Hon. John Marvin “Yul Servo” C. Nieto

EXPLANATORY NOTE

We have had a very challenging two years, while the year 2020 has brought about such unexpected turn of events—not only because of the current pressing health crisis, but also because of natural disasters that have destroyed the homes and livelihoods of thousands of our constituents. All of this has accumulated to greatly affecting the financial stability of our fellow Filipinos.

The following year should have been our road to recovery, may it be for the slow but surely rising economy, the opening of establishments and the bright promise of the return of our normal lives post-pandemic. However, as we struggle to look for ways to recover and augment the ordinary Filipino's income, we have overlooked the need to reduce their burden as the increase in PhilHealth contributions as mandated by the Universal Health Care Act remained in effect.

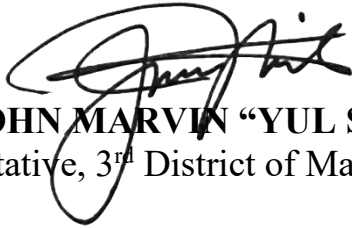
Coupled with the difficulties posed by the pandemic, public confidence in the agency has slumped to an all-time low with news of corruption and fraud allegedly orchestrated by the corporation's senior officers no less, erupting in the midst of the nationwide quarantine.

As investigations into this alleged misuse of funds persist and remain to be unresolved, it is highly unfair to directly lodge the weight of financing the PhilHealth upon its members while those who unjustly benefitted from corrupt schemes in the organization have yet to be held accountable.

This bill seeks to remedy that by defining any PhilHealth contribution rate hike for the fiscal year 2021. As this is mandated by the Universal Health Care Act, this bill proposes to amend Section IO of the same while appropriating the necessary

funds to sustain the funding gap that it will create for PhilHealth. This, as we acknowledge that controversies notwithstanding, many Filipinos rely on the continued implementation of the expanded programs of PhilHealth.

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

A handwritten signature in black ink, appearing to read 'John Marvin' followed by a stylized flourish.

HON. JOHN MARVIN “YUL SERVO” C. NIETO
Representative, 3rd District of Manila City

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AN ACT

**GRANTING THE PRESIDENT OF THE PHILIPPINES THE POWER TO
SUSPEND THE SCHEDULED INCREASE IN PHILHEALTH PREMIUM
RATES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 11223,
OTHERWISE KNOWN AS THE “UNIVERSAL HEALTH CARE ACT”**

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

SECTION 1. *Short Title.* – . Section 10 of Republic Act No. 11223, otherwise
known as the “Universal Health Care Act” is hereby amended to read as follows:

“Section 10. Premium Contributions. – For direct contributors, premium rates
shall be in accordance with the following schedule, and monthly income floor and
ceiling:

<i>Year</i>	<i>Premium Rate</i>	<i>Income Floor</i>	<i>Income Ceiling</i>
2019	2.75%	₱10, 000.00	₱50, 000.00
2020	3.00%	₱10, 000.00	₱60, 000.00
2021	3.00%	₱10, 000.00	₱60, 000.00
2022	3.00%	₱10, 000.00	₱70, 000.00
2023	4.50%	₱10, 000.00	₱90, 000.00
2024	5.00%	₱10, 000.00	₱100, 000.00
2025	5.00%	₱10, 000.00	₱100, 000.00

xxx; ”

IN TIMES OF NATIONAL EMERGENCIES WHEN PUBLIC INTEREST SO REQUIRES, THE PRESIDENT OF THE PHILIPPINES, IN CONSULTATION WITH THE SECRETARY OF FINANCE AND THE SECRETARY OF **HEALTH** AS CHAIRPERSON **OF PHILHEALTH**, MAY SUSPEND THE IMPLEMENTATION OF THE SCHEDULED INCREASE IN PREMIUM RATES PROVIDED UNDER **THIS** SECTION. SUBSEQUENT SCHEDULED INCREASES IN CONTRIBUTIONS SHALL BE ADJUSTED **TO FALL** ON THE YEARS FOLLOWING THE LIFTING OF THE SUSPENSION.”

SECTION 2. Within thirty (30) days after the effectivity of this Act, the PhilHealth in consultation with the Department of Finance, shall issue the necessary rules and regulations for its effective implementation

SECTION 3. *Separability.* – If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall continue to be in full force and effect.

SECTION 4. *Repealing Clause.* – All laws, executive orders, and administrative orders, or parts thereof that are inconsistent with any provision of this Act are hereby repealed or amended accordingly.

SECTION 5. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,