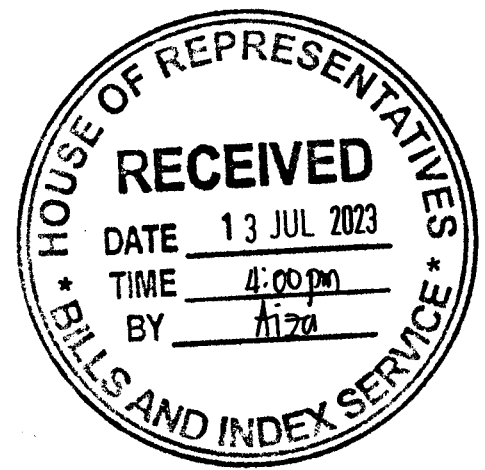


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila
Nineteenth Congress
Second Regular Session
HOUSE BILL NO. 8585



Introduced by Rep. Anthony Rolando T. Golez Jr.

EXPLANATORY NOTE

The World Health Organization established in 1948 that every human being, regardless of race, religion, political belief, economic or social condition, has the fundamental right to enjoy the highest attainable standard of health. In pursuit of this goal, member countries, including the Philippines, have dedicated their efforts to providing timely, adequate, affordable, and quality healthcare to their citizens. Over the years, the global community has collaborated through treaties, international cooperation, multisectoral involvement, and the implementation of Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs) to achieve this standard.

In the Philippines, significant legislative measures, reforms, programs, and partnerships with national and international stakeholders have been introduced to improve the health standards of Filipinos. Notable achievements include the comprehensive iodization of table salt, which reduced the incidence of goiter, the successful eradication of polio through massive immunization campaigns, and the reduction of premature deaths among youth by increasing tobacco prices through sin taxes.

More recently, the Universal Health Care (UHC) Act was promulgated during the administration of Former President Rodrigo Roa Duterte, aiming to ensure universal access to timely and adequate healthcare for all Filipinos. This legislation provides basic financial protection against the burdensome costs of healthcare, which can be as debilitating as the diseases themselves. Given the current agenda of President Ferdinand Marcos, Jr.'s administration, focused on full economic recovery and pandemic resilience, the full and efficient implementation of the UHC Act is of crucial importance.

One of the key implementers of the UHC law is the Philippine Health Insurance Corporation, commonly known as PhilHealth. Before the passage of the UHC Law, efforts were made to enhance accountability within PhilHealth by

shortening the term of its president from six years to one year. However, the subsequent UHC legislation failed to address the crucial issue of leadership and governance within PhilHealth, leading to confusion about the role of its President/CEO.

The COVID-19 pandemic has highlighted the vital role of PhilHealth in providing benefits and coverage to protect Filipinos from the financial burdens of healthcare. Therefore, the success of PhilHealth and the achievement of Universal Health Care in the Philippines are closely intertwined. Ensuring effective leadership and governance in PhilHealth is paramount.

This bill represents a crucial step in the current administration's agenda to improve public trust in government agencies and enhance services for the Filipino people. By establishing the President/CEO of PhilHealth as a Cabinet Secretary with a fixed six-year term, the bill empowers PhilHealth to implement multisectoral and radical reforms that will endure beyond the current administration. The President/CEO's attendance at Cabinet meetings will facilitate coordination with other agency heads and enable prompt resolution of concerns by elevating them to the President's attention.

This bill not only seeks to align and bridge the gap between the amended NHIC law and the UHC law but also aims to ensure that the leadership and governance of PhilHealth are insulated from political pressures, allowing for continuous programs and reforms despite changes in administration. Given that the quality of care and implementation of UHC can be significantly enhanced through good governance and stable leadership in PhilHealth, the approval of this measure is urgently sought.

To effectively address the urgency and improve the organizational structure of PhilHealth, it is essential to remove its status as an attached agency of the Department of Health and place it directly under the control and supervision of the President of the Philippines. This change will further underscore the importance of clarity and establish a direct line of accountability to drive the success of PhilHealth and ensure the delivery of quality healthcare to all Filipinos.


HON. ANTHONY ROLANDO T. GOLEZ JR.
Malasakit at Bayanihan Party List

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila
Nineteenth Congress
Second Regular Session
HOUSE BILL NO. 8585

Introduced by **Rep. Anthony Rolando T. Golez Jr.**

AN ACT AMENDING ARTICLE IV, OF REPUBLIC ACT. NO. 9241, AN ACT INSTITUTING A NATIONAL HEALTH INSURANCE PROGRAM FOR ALL FILIPINOS AND ESTABLISHING THE PHILIPPINE HEALTH INSURANCE CORPORATION FOR THE PURPOSE, AND AMENDING CHAPTER III, OF REPUBLIC ACT NO. 11223, AN ACT INSTITUTING UNIVERSAL HEALTH CARE FOR ALL FILIPINOS, PRESCRIBING REFORMS IN THE HEALTH CARE SYSTEM, AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Section 14 of Republic Act No. 11223 otherwise known as “AN ACT INSTITUTING A NATIONAL HEALTH INSURANCE PROGRAM FOR ALL FILIPINOS AND ESTABLISHING THE PHILIPPINE HEALTH INSURANCE CORPORATION FOR THE PURPOSE”, is hereby amended to read as follows:

“Section 14. Creation and Nature of the Corporation – There is hereby created a Philippine Health Insurance Corporation, which shall have the status of a tax-exempt government corporation ~~attached to the Department of Health for policy coordination and guidance~~ under the direct supervision and control of the Office of the President of the Republic of the Philippines.”

SECTION 2. Section 13 of the Republic Act No. 11223 otherwise known as “AN ACT INSTITUTING UNIVERSAL HEALTH CARE FOR ALL FILIPINOS, PRESCRIBING REFORMS IN THE HEALTH CARE SYSTEM, AND APPROPRIATING FUNDS THEREFOR”, is hereby amended to read as follows:

“Section 13. Creation and Nature of the Corporation PhilHealth Board of Directors. -

(a) The PhilHealth Board of Directors, hereinafter referred to as the Board, is hereby reconstituted to have a maximum of thirteen (13) members, consisting of the following:

(1) five (5) ex officio members, namely: the Secretary of Health, Secretary of Social Welfare and Development, Secretary of Budget

and Management, Secretary of Finance, Secretary of Labor and Employment;

(2) three (3) expert panel members with expertise in any or a combination of the following fields: public health, management, finance, health economics, health informatics, biostatistics, data analytics, actuarial sciences, or in any field or specialty as determined by the Board to aid in the efficient implementation and execution of the Universal Health Care Act and other mandates of the Corporation; and

(3) five (5) sectoral panel members, representing the direct contributors, indirect contributors, employers group, health care providers to be endorsed by their national associations of health care institutions and health care professionals, and representative of the elected local chief executives to be endorsed by the League of Provinces of the Philippines, League of Cities of the Philippines and League of Municipalities of the Philippines: Provided, That at least one (1) of the expert panel members and at least two (2) of the sectoral panel members are women.

The sectoral and expert panel members must be Filipino citizens and of good moral character.

The expert panel members must: (i) be of recognized probity and independence and must have distinguished themselves professionally in public, civic or academic service; (ii) be in the active practice of their professions for at least seven (7) years; and (iii) not be appointed within one (1) year after losing in the immediately preceding elections, whether regular or special.

(b) ~~The Secretary of Health~~ President and CEO of the Corporation shall be an ex officio voting Chairperson of the Board

(c) All appointive members of the Board shall be required to undergo training in health care financing, health systems, costing health services and HTA prior to the start of their term. Noncompliance shall be a ground for dismissal.

Within thirty (30) days following the effectivity of this Act, the Governance Commission for Government-Owned or -Controlled Corporations (GCG) shall, in accordance with the provisions of Republic Act No. 10149, promulgate the nomination and selection process for appointive members of the Board with a clear set of qualifications, credentials, and recommendation from the concerned sectors."

SECTION 3. Section 18 of the Republic Act No. 7875 is hereby repealed by Section 13 of Republic Act No. 11223, as hereby amended.

SECTION 4. Section 14 of the Republic Act No. 11223 is hereby amended to read as follows:

"Section 14. The President and Chief Executive Officer (CEO) of PhilHealth. -

- a) Appointment and Tenure – The President of the Philippines shall appoint for a non-renewable term of six (6) years the President and CEO of PhilHealth from the Board's non-ex officio members, hereinafter referred to as the President and CEO, upon the recommendation of the Board. The President and CEO shall not be removed from office, except in accordance with existing laws. Appointment to any vacancy shall be only for the unexpired portion of the term of the predecessor.
- b) Duties and Functions-The President and CEO shall have the duty of advising the Board and carrying into effect its policies and decisions. His functions are as follows: (1) to act as the chief executive officer of PhilHealth; and (2) to be responsible for the general conduct of the operations and management functions of PhilHealth and for other duties assigned to him by the Board; and (3) to regularly report to the President of the Philippines on the operations and management of PhilHealth as well as the implementation of the Universal Health Care Act and other related laws within its jurisdiction.
- c) Qualifications- The President and CEO must be a Filipino citizen and must possess adequate and appropriate training and at least seven (7) years of experience in the field of public health, management, finance, and health economics or a combination of any of this expertise.
- d) Prohibition- To avoid conflict of interest, the President and CEO must not be involved in any health care institution including as owner or member of its board, and the President and CEO must not be an elected public official at the time of his/her appointment or have previously participated in a general election one (1) year prior his/her appointment.
- e) Rank and Salary – The President and CEO, upon appointment, shall have the rank equivalent to a Cabinet Secretary and shall receive the corresponding salary and all other bonuses fixed under relevant laws, payables from the funds of PhilHealth.

The appointment of the President and CEO shall no longer require the concurrence of the Commission of Appointments and shall immediately take effect upon appointment by the President of the Philippines."

SECTION 5. Section 19 of the Republic Act No. 7875 is hereby repealed by Section 14 of Republic Act No. 11223, as hereby amended.

SECTION 6. *Repealing Clause*- All acts, executive orders, memorandum circulars / guidelines and other issuance or parts thereof, which are inconsistent with this Act, are hereby repealed or modified accordingly.

SECTION 7. *Effectivity*- This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspaper of general circulation.

Approved,