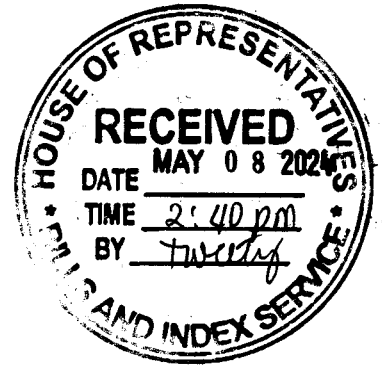


**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila**

**NINETEENTH CONGRESS
Second Regular Session**

HOUSE BILL NO. 10371



Introduced by Representative CIRIACO B. GATO, JR. MD. FPSO-HNS

EXPLANATORY NOTE

The Universal Healthcare (UHC) Act is a landmark in the Philippine healthcare system, ensuring that all Filipinos have access to comprehensive healthcare services. This Act has been instrumental in providing affordable healthcare and fulfilling the State's duty towards the health of its citizens as enshrined in the Constitution.

However, the unprecedented challenges brought about by the COVID-19 pandemic have highlighted the need for flexibility and responsiveness in our healthcare laws to address the evolving needs of our people, especially the vulnerable sectors.

Considering these challenges, this proposed measure seeks to introduce critical changes to the Universal Healthcare Act to make healthcare more accessible and equitable for all Filipinos, regardless of their employment status or location.

The proposed amendments aim to adjust the premium contribution rates for migrant workers and self-earning individuals to a more manageable level based on the income floor. This adjustment ensures that contributions are fair and proportional to their earnings, alleviating the financial strain on our OFWs and other self-employed Filipinos.

It also seeks to provide PhilHealth with more flexibility when it comes to collecting contributions by giving them additional powers to compromise, waive, or release interests or surcharges owed by employers, self-employed individuals, and migrant workers, regardless of the amount. This flexibility will encourage timely payments and provide relief in times of financial difficulties, ensuring continued healthcare coverage.

As the additional 2 years to finish senior high school resulted in the adjustment of the age of college graduating students from 21 years old to 22-23 years, this measure proposes to increase the age of PhilHealth dependents to 23 years old. Raising the dependency age will help alleviate the hardship of the low to middle income earning families as they strive to have their children finish college.

To ensure the sustainability and responsiveness of the healthcare system in these ever-changing times, the President will also be authorized to suspend or defer contribution increases and/or income floor and income ceiling during national emergencies to lessen the financial strain on our citizens.

These amendments reflect our commitment to adapt our healthcare policies to the needs of the times and to uphold the welfare of every Filipino. It is with the spirit of compassion and equity that we seek immediate passage of this bill.



CIRILACO B. GATÓ JR.

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HOUSE BILL NO. 10371

Introduced by Representative CIRIACO B. GATO, JR. MD. FPSO-HNS

**AN ACT AMENDING REPUBLIC ACT NO. 11223, OTHERWISE KNOWN AS
THE
"UNIVERSAL HEALTH CARE ACT"**

Sec. 1. Section 9 of Republic Act No. 11223 is hereby amended to read as follows:

*Sec. 9. Entitlement to Benefits. — Every member shall be granted immediate eligibility for health benefit package under the **NHIP**: Provided, That PhilHealth Identification Card shall not be required in the availment of any health service: Provided further, That no co-payment shall be charged for services rendered in basic or ward accommodation: Provided furthermore, That co-payments and co-insurance for amenities in public hospitals shall be regulated by the DOH and PhilHealth: Provided, **finally**, That the current PhilHealth package for members shall not be reduced.*

*PhilHealth shall provide additional **NHIP** benefits for direct contributors, where applicable: Provided, That failure to pay premiums shall not prevent the enjoyment of any **NHIP** benefits: Provided further, That employers and self-employed direct contributors shall be required to pay all missed contributions with an interest, compounded monthly, of at least three percent (3%) for employers, and not exceeding one and half percent (1.5%), simple interest monthly for self-earning, professional practitioners, and migrant workers.*

Sec. 2. Section 10 of Republic Act No. 11223 is hereby amended to read as follows:

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

Year	Premium Rate	Income Floor	Income Ceiling
2019	2.75%	P10,000	P50,000
2020	3.00%	P10,000	P60,000
2021	3.00%	P10,000	P60,000
2022	4.00%	P10,000	P80,000
2023	4.00%	P10,000	P80,000
2024	5.00%	P10,000	P100,000
2025	5.00%	P10,000	P100,000

Provided, that after consultation with stakeholders and upon recommendation of the Secretary of Health, the PhilHealth Board may adjust the income floor and income ceiling based on the funding requirement of health benefit packages.

For migrant workers, premium contributions shall be based on the income floor: Provided, that fifty percent (50%) of the premium contribution of migrant workers shall be shouldered by the national government; provided further, that unpaid premium contributions of migrant workers in distress shall not be collected upon their arrival in the country. Provided finally, that failure to pay PhilHealth contribution shall not be a ground for non-issuance of overseas employment certificate of a migrant worker.

For self-earning individuals or practicing professionals, contributions shall be primarily based on household earnings and assets. The corporation shall determine and prescribe the amount of contribution but not lower than the income floor.

~~Provide That,~~ For indirect contributors, premium subsidy shall be gradually adjusted and included annually in the General Appropriations Act (GAA): ~~Provided, That the funds shall be released to PhilHealth:~~ ***Provided further:*** That the DOH, in coordination with PhilHealth, may request Congress to appropriate supplemental funding to meet targeted milestones of this Act: ~~Provided, finally, That for every increase in the rate of contribution of direct contributors and premium subsidy of indirect contributors, PhilHealth shall provide for a corresponding increase in benefits.~~

In the event of a state of national emergency, public health emergency, or state of calamity, the President of the Philippines, upon recommendation of the PhilHealth Board after consultation with stakeholders, may suspend the increase in premium contribution rates and/ or income floor and income ceiling provided under this section. The mandated increase shall be implemented upon lifting of the state of national emergency, public health emergency, or state of calamity. In the event of

suspension, all subsequent schedule increases in contribution rates shall be implemented in the succeeding years accordingly.

Sec 3. Additional powers and functions in Section 16 of the Republic Act No. 11223 to read as follows:

Section 16. Additional powers and function of PhilHealth.

(e) Notwithstanding the provisions of any law to the contrary, the corporation may compromise, waive, or release, in whole or in part, such interest or surcharges imposed upon employers or self-employed direct contributors, including migrant workers, regardless of the amount involved under such valid terms and conditions it may prescribe.

Sec 4. Additional definition in Section 4 of the Republic No. 11223 to read as follows:

Section 4 (v) Dependent – The legal dependents of a member are:

- 1. The legitimate spouse who is not a member;***
- 2. The unmarried and unemployed legitimate, legitimated, illegitimate, acknowledged children as appearing in the birth certificate, legally adopted or stepchildren twenty-three (23) years of age and below.***

Sec. 5. Section 11(f) of Republic Act 11223 is hereby amended to read as follows:

Sec. 11 (f). In bonds, securities, promissory notes, or other evidences of indebtedness of accredited and financially sound medical institutions exclusively to finance the construction, **purchase of medical equipment**, improvement and maintenance of hospitals and other medical facilities: Provided, That such securities and instruments shall be guaranteed by the Republic of the Philippines or the issuing medical institution and the issued securities are both rated triple 'A' by authorized accredited domestic rating agencies: Provided, further, That said investments shall not exceed ten percent (10%) of the total reserve fund; and

Sec. 6. Section 12 of Republic Act 11223 is hereby amended to read as follows:

Sec 12. Administrative Expense. ~~No more than~~ Seven and one-half percent (7.5%) of the actual total premium collected from direct and indirect contributory members during the immediately preceding year shall be allotted for the administrative cost of implementing the Program.

Sec. 7. Continuity of Benefits. — Nothing in this Act shall be construed to eliminate or diminish any benefits or entitlements already granted to members of PhilHealth.

Sec. 8. Separability Clause. — If any provision of this Act is declared invalid or unconstitutional, the remainder thereof not otherwise affected shall remain in full force and effect.

Sec. 9. Repealing Clause. — All laws, presidential decrees, executive orders, letters of instruction, proclamations, and administrative regulations that are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

Sec. 10. Effectivity Clause. — This Act shall take effect after fifteen (15) days following the completion of its publication in the Official Gazette or in any newspaper of general circulation.

Approved,