Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

NINETEENTH CONGRESS
Second Regular Session

HOUSE BILL No. 10459



Introduced by REPRESENTATIVE LORDAN G. SUAN

EXPLANATORY NOTE

The Republic Act 11223, otherwise known as the Universal Health Care Act, is landmark legislation that has the greatest impact on the life of every Filipino. It has an enormous effect, particularly on average Filipinos, who are burdened by the high expense of medical and healthcare services.

Over the years, the benefits provided under this law have evolved to include a wide range of services. As we strive to respond to the changing health needs of Filipinos, we can only do so within the framework of the law. At the same time, certain provisions have to be revisited to attain the law's objectives and ensure its viability in the future.

This bill aims to exempt Overseas Filipino Workers from the mandatory requirement of a direct contribution to PhilHealth. This is in recognition of their substantial contribution to the Philippine economy. Needless to say, such contributions boosted our economy's resilience and recovery, most especially during downturns.

To guarantee that PhilHealth policies remain relevant to the health requirements of all Filipinos and that universal health care is sustainable, this bill proposes that the Board of PhilHealth be chaired and co-chaired by the Secretary of Health and the Secretary of Finance, respectively. As Chairman of the Board, the Secretary of Health is responsible for ensuring that PhilHealth and DOH policies are aligned. On the other hand, as a co-chairperson of the Board, the Secretary of Finance shall ensure the proper management of the funds and investments of PhilHealth.

The premium schedule for direct contributors shall also be restructured to make it progressive, equitable, and sustainable. This bill proposes a contribution equal to the base minimum rate plus 4% of the individual income tax. Those who are exempt from income tax shall pay the minimum rate which will be adjusted every 2 years to account for inflation.

Given the foregoing, the immediate passage of this bill is earnestly sought.

HON. LORDAN G. SUAN
1st District
Cagayan de Oro City

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Introduced by REPRESENTATIVE LORDAN G. SUAN

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

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

SECTION 1. Section 4 of Republic Act 11223, otherwise known as the "Universal Health Care Act" is hereby amended as follows:

Section 4. *Definition of Terms*. – As used in this Act:

XXX

(f) Direct contributors refer to those who have the capacity to pay premiums, are gainfully employed and are bound by an employer-employee relationship, or are self-earning, professional practitioners, [~~migrant workers~~], including their qualified dependents, and lifetime members. **PROVIDED THAT, AN OVERSEAS FILIPINO WORKER MAY CONTRIBUTE A PREMIUM CONTRIBUTION VOLUNTARILY;**

SECTION 2. Section 6 is hereby amended to read as follows:

Section 6. *Service Coverage.*

(a) Every Filipino shall be granted immediate eligibility and access to preventive, promotive, curative, rehabilitative, and palliative care for medical, dental, mental and emergency health services, delivered either as population-based or individual-based health services: *Provided,* That the goods and services to be included shall be determined through a fair and transparent HTA process;

(b) EVERY FILIPINO LAND-BASED OR SEA-BASED OVERSEAS WORKER SHALL BE GRANTED IMMEDIATE ELIGIBILITY AND ACCESS TO DIAGNOSTIC, LABORATORY OR MEDICAL EXAMINATION SERVICES FOR HIS/HER OVERSEAS EMPLOYMENT APPLICATION. PROVIDED, THAT THE SAID SERVICES ARE DONE AND AVAILED IN PHILHEALTH-ACCREDITED HOSPITALS, CENTERS, OR FACILITIES;

(c) Within two (2) years from the effectivity of this Act, PhilHealth shall implement a comprehensive outpatient benefit, including outpatient drug benefit and emergency medical services in accordance with the recommendations of the Health Technology Assessment Council (HTAC) created under Section 34 hereof;

(d) The DOH and the local government units (LGUs) shall endeavor to provide a health care delivery system that will afford every Filipino a primary care

provider who would act as the navigator, coordinator, and initial and continuing point of contact in the health care delivery system: *Provided,* That except in emergency or serious cases and when proximity is a concern, access to higher levels of care shall be coordinated by the primary care provider; and

(e) Every Filipino shall register with a public or private primary care provider of choice. The DOH shall promulgate the guidelines on the licensing of primary care providers and the registration of every Filipino to a primary care provider.

SECTION 3. Section 9 is hereby amended to read as follows:

Section 9. *Entitlement to Benefits.* - Every member shall be granted immediate eligibility for health benefit package under the Program: *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 Program benefits for direct contributors, where applicable: *Provided,* That failure to pay premiums shall not prevent the enjoyment of any Program 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 one-half~~] percent (~~1.5%~~) **(1.0%)** for self-earning **INDIVIDUALS AND** professional practitioners. [~~and migrant workers~~.]

SECTION 4. Section 10 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:~~

~~Year~~	~~Premium Rate~~	~~Income Floor~~	~~Income Ceiling~~
~~2019~~	~~2.75%~~	~~₱10,000.00~~	~~₱50.000.00~~
~~2020~~	~~3.00 %~~	~~₱10,000.00~~	~~₱60,000.00~~
~~2021~~	~~3.50%~~	~~₱10,000.00~~	~~₱70,000.00~~
~~2022~~	~~4.00 %~~	~~₱10,000.00~~	~~₱80,000.00~~
~~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]~~

(A) FOR DIRECT CONTRIBUTORS, THE PREMIUM CONTRIBUTION RATE SHALL BE A MINIMUM OF ONE HUNDRED PESOS (P100.00) AND AN EQUIVALENT OF FOUR PERCENT (4.00%) OF THEIR INDIVIDUAL INCOME TAX UNDER THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED.

PROVIDED, THAT FOR DIRECT CONTRIBUTORS WHO ARE EXEMPT FROM PAYING AN INCOME TAX AS PROVIDED BY THE NATIONAL INTERNAL

REVENUE CODE, AS AMENDED, THE MINIMUM CONTRIBUTION RATE SHALL APPLY.

PROVIDED FURTHER, THAT THE MINIMUM PREMIUM CONTRIBUTION RATE SHALL BE ADJUSTED EVERY TWO (2) YEARS TO ACCOUNT FOR INFLATION.

(B) *[~~Provided,~~ That]* For indirect contributors, premium subsidy shall be gradually adjusted and included annually in the General Appropriations Act (GAA): *Provided, [~~further~~],* That the funds shall be released to PhilHealth: *Provided, **FURTHER**, [~~furthermore;~~]* 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.

SECTION 5. Section 13 is hereby amended to read as follows:

Section 13. *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~~] **FINANCE**, Secretary of Budget and Management, Secretary of [~~Finance~~] **SOCIAL WELFARE AND DEVELOPMENT**, Secretary of Labor and Employment; (2) three (3) expert panel members with expertise in public health, management, finance, and health economics; 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 shall be [~~an ex officio nonvoting~~] the Chairperson of the Board **AND THE SECRETARY OF FINANCE SHALL BE THE CO-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 6. Section 34 is hereby amended to read as follows:

Section 34. *Health Technology Assessment (HTA).*

XXX

(b) The following criteria must be observed in the conduct of HTA:

XXX

(2) *Safety and Effectiveness.* - Each intervention must have undergone Phase IV clinical trial, and systematic review and meta-analysis must be readily available. The interventions must also not pose any harm to the users and healthcare providers. **PROVIDED, THAT UPON THE DECLARATION OF A STATE OF PUBLIC HEALTH EMERGENCY SUCH REQUIREMENT SHALL BE SUSPENDED;**

SECTION 7. *Implementing Rules and Regulations.* - Within ninety (90) days from the effectivity of this Act, the Department of Health, Department of Finance, and PhilHealth in coordination with relevant government agencies and other stakeholders, shall formulate the necessary rules and regulations for the effective implementation of this Act.

SECTION 8. *Separability Clause.* **-** If any provision of this Act is declared invalid or unconstitutional, the provisions not hereby affected shall remain in full force and effect.

SECTION 9. *Repealing Clause.* **-** All laws, decrees, orders, rules and regulations or parts thereof, inconsistent with or contrary to the provisions of this Act are repealed, amended or modified, accordingly.

SECTION 10. *Effectivity.* - This Act shall take effect fifteen (15) days from the date of its publication in the Official Gazette, or a website provided for by law.

Approved,