

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

*Twentieth Congress
First Regular Session*

House Bill No. 3162



Introduced by Honorable Roy M. Loyola

EXPLANATORY NOTE

This proposed measure seeks to amend Republic Act No. 11223, or the Universal Health Care (UHC) Act, by reducing the Philippine Health Insurance Corporation (PhilHealth) premium contribution rate from 5% to 3%. This amendment aims to alleviate the financial burden on Filipino workers while maintaining the integrity and sustainability of the country's universal healthcare system.

The 1987 Philippine Constitution underscores the State's commitment to social justice and the protection of labor. Article II, Section 18 states: "The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare." Additionally, Article XIII, Section 11 provides: "The State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health, and other social services available to all the people at affordable cost."

Under the current implementation of the UHC Act, PhilHealth premium contributions have increased to 5% of an employee's monthly basic salary, effective January 2025. This escalation has led to higher deductions from employees' salaries, impacting their take-home pay and overall financial well-being.

The proposed reduction to a 3% contribution rate is designed to ease this financial strain on workers, particularly those in low to middle-income brackets. By lowering the mandatory contributions, employees will retain a larger portion of their earnings, enhancing their capacity to meet daily living expenses and improving their quality of life.

Despite the objectives of the UHC Act, many Filipinos continue to face challenges in accessing quality healthcare services. The healthcare system remains fragmented, with disparities in service quality between urban and rural areas. Additionally, out-of-pocket expenses for medical services persist, placing a significant burden on households.

By reducing the PhilHealth contribution rate, the proposed measure aims to provide immediate financial relief to workers, allowing them to allocate resources to

other essential needs, including healthcare. This adjustment seeks to balance the goal of universal health coverage with the economic realities faced by Filipino families.

This legislative proposal aligns with the constitutional directives to protect labor rights and ensure accessible healthcare for all Filipinos. By reducing the PhilHealth premium contribution rate from 5% to 3%, the measure endeavors to alleviate the financial burden on workers while sustaining the country's commitment to universal healthcare. The enactment of this bill is a step toward achieving a more equitable and responsive healthcare system that addresses the needs of the Filipino people.

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



ATTY. ROY M. LOYOLA
Representative
Fifth District, Cavite

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AN ACT
AMENDING REPUBLIC ACT NO. 11223, OTHERWISE KNOWN AS THE
"UNIVERSAL HEALTH CARE ACT," TO REDUCE THE PREMIUM
CONTRIBUTION RATE TO THE PHILIPPINE HEALTH INSURANCE
CORPORATION (PHILHEALTH) FROM FIVE PERCENT (5%) TO THREE
PERCENT (3%)

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

SECTION 1. *Short Title.* – This Act shall be known as the "Affordable PhilHealth Contribution Act of 2025."

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to promote the right to health of every Filipino and to ensure access to affordable and quality healthcare services. In doing so, the State recognizes the need to balance healthcare financing with the economic welfare of workers and the general public, especially in light of current socioeconomic challenges.

SEC. 3. *Amendment of Section 10 of R.A. No. 11223.* – Section 10 of Republic Act No. 11223, otherwise known as the "Universal Health Care Act," is hereby amended to read as follows:

"SEC. 10. Premium Contributions. – For direct contributors, the premium rate shall be set at three percent (3%) of the monthly basic salary, with an income floor of Ten thousand pesos (P10,000.00) and an income ceiling of Eighty thousand pesos (P80,000.00).

Provided, That this contribution rate shall remain in force unless otherwise adjusted by an act of Congress, and subject to regular review by the Philippine Health Insurance Corporation (PhilHealth) in consultation with the Department of Health (DOH), the Department of Finance (DOF), and other stakeholders.”

SEC. 4. *Implementing Rules and Regulations.* – Within thirty (30) days from the effectivity of this Act, the Philippine Health Insurance Corporation (PhilHealth), in coordination with the Department of Health (DOH), the Department of Finance (DOF), and the Department of Budget and Management (DBM), shall promulgate the necessary rules and regulations to implement the provisions of this Act.

SEC. 5. *Separability Clause.* – If any provision of this Act is declared unconstitutional or invalid, the remaining provisions not affected shall continue to be in full force and effect.

SEC. 6. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 7. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,