



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

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 4882

Introduced by Representative Howard A. Guintu

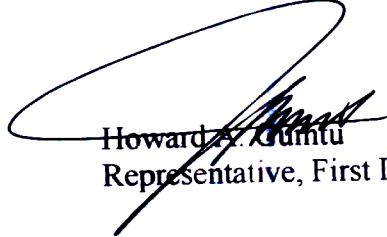
EXPLANATORY NOTE

One of the interventions sought by Republic Act No. 11223 or the Universal Health Care Act is the reduction of household out-of-pocket payment (OOP). OOP pertains to expenses that a patient pays directly to the health care provider without a third party. In other words, it is the amount of money a patient pays for medical expenses that are not covered by health insurance.

Despite the passage of the Universal Healthcare Act in 2019, OOP remains to be one of the largest sources of health financing. In 2020, OOP amounted to P400.1 billion or 44.7% of the Current Health Expenditure (CHE) of the country. It came second to government schemes and compulsory contributory health care financing schemes which is the largest source of health financing in the country amounting to P409.39 billion or 45.7% of the CHE.¹ Since nearly half of the country's health expenditures are financed by households, it is imperative that they are protected from inflated out-of-pocket payments through mechanisms that mandate transparency in medical expenses and the cost of healthcare.

Thus, this bill seeks to prevent unexpected medical bills and inflated out-of-pocket expenses by (1) informing patients about actual prices, (2) requiring healthcare providers, health insurance issuers and self-insured group health plans to provide information about expected out-of-pocket costs, (3) increasing access to data to make healthcare information more transparent and useful to patients, (4) expanding the ability of consumers to choose healthcare plans, and (5) removing public barriers to price transparency in the healthcare sector.

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


Howard A. Guintu
Representative, First District of Capiz



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AN ACT
ENHANCING THE PATIENT'S RIGHT TO MEDICAL EXPENSE
TRANSPARENCY AND PREVENTING UNEXPECTED MEDICAL BILLS, AND
FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as the “*Medical Bill Transparency Act*”.

SEC. 2. *Objective.* – This Act shall aim to enhance the ability of patients to choose the healthcare that is best for them, by allowing them to make fully informed decisions about their healthcare, and the price and quality of a good or service in advance. It shall also be the objective of this Act to help prevent ‘surprise billing’ or patients receiving unexpected bills at inflated prices.

SEC. 3. *Policy.* – It shall be the policy of the State to ensure that patients are engaged with their healthcare decisions and have the information requisite for choosing the healthcare they want and need. The government shall aim to eliminate unnecessary barriers to price and quality transparency; to increase the availability of meaningful price and quality information for patients; to enhance patients’ control over their own healthcare resources, including health insurance coverage; and to protect patients from surprise medical bills.

SEC. 4. *Informing Patients about Actual Prices.* – Within sixty (60) days of the date of this Act, the Secretary of Health shall craft regulations consistent with applicable law, to require hospitals to publicly post standard charge information, including charges and information based on negotiated rates and for common or shoppable items and services, in an easy-to-understand, consumer-friendly, and machine-readable format using consensus-based data standards that will meaningfully inform patients’ decision making and allow patients to compare prices across hospitals.

The regulation should require the posting of standard charge information for services, supplies, or fees billed by the hospital or provided by employees of the hospital. The regulation should also require hospitals to regularly update the posted information and establish a monitoring mechanism for the Secretary to ensure compliance with the posting requirement, as needed.

The regulation should also require the detailed itemization of actual medical bills.

SEC. 5. *Transparency in Health Insurance Coverage.* – Within ninety (90) days of the date of this Act, the Secretaries of Health and Finance shall jointly issue regulations requiring healthcare providers, health insurance issuers, and self-insured group health plans to provide or facilitate access to information about expected out-of-pocket costs for items or services to patients before they receive care.

The Secretaries of Health and Finance shall, prior to the issuance of the regulation, issue an advance notice of proposed rulemaking, consistent with applicable law, soliciting comment on the proposal.

SEC. 6. *Barriers to Health Transparency.* – Within one hundred and eighty (180) days from the date of effectivity of this Act, the Secretary of Health, in consultation with the Department of Trade and Industry, Department of Finance, the Philippine Competition Commission, and other relevant agencies shall issue a report describing the manners in which government rules and practice, or the private sector, are impeding healthcare price and quality transparency for patients, and providing recommendations for eliminating these impediments in a way that promotes competition.

SEC. 7. *Increasing Access to Data to Make Healthcare Information More Transparent and Useful to Patients.* – Within one-hundred and eighty (180) days of the date of effectivity of this Act, the Secretary of Health, in consultation with relevant agencies, shall increase access to claims data from taxpayer-funded healthcare programs, including those of the Philippine Health Insurance Corporation, for researchers, innovators, providers, and entrepreneurs, in a manner that is consistent with applicable law and that ensures patient privacy and security.

Access to this data shall be provided in a manner that will facilitate the development of tools that empower patients to be better informed as they make decisions related to healthcare goods and services. Access to this data shall also be provided in a manner that will enable researchers and entrepreneurs to locate inefficiencies and opportunities for improvement, such as patterns of performance of medical procedures that are outside the recommended standards of care.

As part of this process, the Secretary of Health shall make a list of priority data sets that, if de-identified, could advance the policies set forth by this Act, and shall report to the President and to Congress on proposed plans for future release of these priority datasets and on any barriers to their release.

SEC. 8. *Empowering Patients by Enhancing Control over Their Healthcare Resources.* – Within one-hundred and twenty (120) days of the date of this Act, the Secretary of Finance, to the extent consistent with law, shall issue guidance to expand the ability of patients to select health insurance plans that cover low-cost preventive care and/or medical care that helps maintain health status for individuals with chronic conditions.

SEC. 9. *Addressing Surprise Medical Billing.* – Within one-hundred and twenty (120) days of the date of this Act, the Secretary of Health shall submit a report to the President and to Congress on measures that can be taken to address surprise medical billing.

SEC. 10. *Non-Impairment Clause.* – Nothing in this Act shall be construed to impair or otherwise affect the authority granted by law to an executive department or agency, or the head thereof; or the functions of the Secretaries of Finance and Budget and Management relating to budgetary, administrative, or legislative proposals.

Furthermore, this Act shall be implemented consistent with applicable laws and subject to the availability of appropriations.

SEC. 11. *Separability Clause.* – If any part or provision of this Act is held invalid or unconstitutional, the remaining parts or provisions not affected shall remain in full force and effect.

SEC. 12. *Repealing Clause.* – All laws, decrees, orders, rules and regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 13. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any newspaper of general circulation.

Approved,