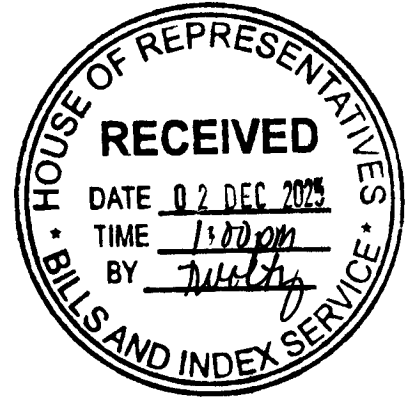


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 6545

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

EXPLANATORY NOTE

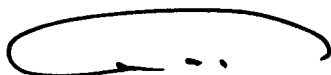
This bill seeks to strengthen and modernize the UHC framework in light of lessons from recent public health emergencies and the evolving needs of the sector. Consultations with stakeholders confirmed the need to update the law to ensure more responsive policies, stronger governance, and a more resilient health financing system.

The proposed amendments include:

- Updated definitions and modernized terminology, including the use of benefit–risk assessments and real-world evidence in regulatory and financing decisions.
- Recalibrated premium mechanisms, introducing actuarially sound rate-setting, shared government–employer responsibility, and stronger protections for migrant workers and overseas Filipinos.
- Stronger financial governance, covering reserve fund management, limits on administrative expenses, and a prohibition on reverting PhilHealth funds to the National Government’s general fund.
- Modernized benefit delivery to allow innovation and regulated competition between public and private providers.
- Rationalized management of Special Health Funds, empowering province-wide and city-wide health systems and component LGUs to manage their own funds.
- Creation of the Universal Health Care Coordinating Council (UHC-CC) to harmonize policy and implementation across government.
- Strengthening the Health Technology Assessment Council (HTAC) through refined criteria, flexible evidence requirements during emergencies, and its transition to an independent body under the DOST.
- Institutionalization of a national electronic health records system, anchored on the “one patient, one record” principle.
- Clearer accountability and stricter penalties for the misuse of health funds at the local level.

Ultimately, this bill seeks to build a UHC system that delivers equitable, high-quality, and financially sustainable health services to all Filipinos.

Approval of this measure is earnestly sought.


CIRIACO B. GATO JR. MD., FPSO- HNS

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6545

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

AN ACT
STRENGTHENING THE PHILIPPINE HEALTHCARE SYSTEM TO ACHIEVE
EFFICIENCY AND EQUITY, AND TO IMPROVE PUBLIC HEALTH
EMERGENCY PREPAREDNESS, AMENDING FOR THE PURPOSE
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:*

- 1 **SECTION 1.** Section 4 of Republic Act No. 11223, otherwise known as the "Universal
2 Health Care Act", is hereby amended to read as follows:
3
4 "SEC. 4. *Definition of Terms.* – As used in this Act:
5
6 (a) *Abuse of authority* – xxx;
7
8 (b) *Amenities* – xxx;
9
10 (c) *Basic or ward accommodation* – xxx;
11
12 (d) **BENEFIT-RISK ASSESSMENT OR EVALUATION** REFERS TO A METHOD
13 OF EVALUATING THE USEFULNESS OF A DRUG FOR A SPECIFIC
14 INDICATION, TAKING INTO ACCOUNT THE BENEFITS AND RISKS
15 ASSOCIATED WITH THAT DRUG UNDER NORMAL CONDITIONS
16 OF USE;
 (e) *Co-insurance* – xxx;
 (f) *Co-payment* – xxx;

1 (G) **DEPENDENTS OF A MEMBER REFER TO:**

2
3 (1) **THE LEGITIMATE SPOUSE WHO IS NOT A MEMBER;**

4
5 (2) **THE TWENTY-THREE (23) YEARS OF AGE AND BELOW WHO ARE**
6 **UNMARRIED AND UNEMPLOYED, LEGITIMATE, LEGITIMATED,**
7 **ILLEGITIMATE, ACKNOWLEDGED CHILDREN AS APPEARING IN**
8 **THE BIRTH CERTIFICATE, LEGALLY ADOPTED, OR STEPCHILDREN,**
9 **OR CHILDREN OF SOLO AND FOSTER PARENTS;**

10
11 ~~[(g)]~~ (H) *Direct contributors* – xxx;

12
13 ~~[(h)]~~ (I) *Emergency* – xxx;

14
15 ~~[(i)]~~ (J) *Entitlement* – xxx;

16
17 ~~[(j)]~~ (K) **EQUITY REFERS TO THE FAIR AND JUST OPPORTUNITY TO BE**
18 **AS HEALTHY AS POSSIBLE. IT ALSO REFERS TO REDUCING AND**
19 **ULTIMATELY ELIMINATING DISPARITIES IN HEALTH AND IN THE**
20 **DETERMINANTS OF HEALTH THAT ADVERSELY AFFECT EXCLUDED**
21 **OR MARGINALIZED GROUPS;**

22
23 ~~[(k)]~~ (L) *Essential health benefit package* refers to a set of individual-based
24 entitlements covered by the National Health Insurance Program (NHIP) which
25 includes primary care; medicines, diagnostics and laboratory; and preventive, curative,
26 ~~[and]~~ rehabilitative services; **AND DENTAL SERVICES;**

27
28 ~~[(l)]~~ (M) *Fraudulent act* – xxx;

29
30 ~~[(m)]~~ (N) *Health care provider* – xxx;

31
32 ~~[(n)]~~ (O) *Health care provider network* – xxx;

33
34 ~~[(o)]~~ (P) *Health Maintenance Organization (HMO)* – xxx;

35
36 ~~[(p)]~~ (Q) *Health Technology Assessment (HTA)* refers to the systematic evaluation of
37 properties, effects, or impact of health~~[related]~~ technologies ~~[, devices, medicines,~~
38 ~~vaccines, procedures and all other health-related systems developed to solve a health~~
39 ~~problem and improve quality of lives and health outcomes,]~~ utilizing a
40 multidisciplinary process to evaluate [the] ITS CLINICAL, social, economic,
41 [organizational] LEGAL, [and] ethical, **AND COMPATIBILITY TO HEALTH**
42 **SYSTEM issues [of a health intervention or health technology] TO INFORM**
43 **POLICY-DECISION MAKING, ESPECIALLY ON HOW TO BEST**
44 **ALLOCATE LIMITED FUNDS TO HEALTH INTERVENTIONS AND**
45 **TECHNOLOGIES;**

46
47 ~~[(q)]~~ (R) *Indirect contributors* – xxx;

48
49 (S) *Individual-based health services* – xxx;

1 ~~[(+)]~~ (T) **MIGRANT WORKERS AND OVERSEAS FILIPINOS IN DISTRESS**
2 REFER TO OVERSEAS FILIPINOS WHO HAVE MEDICAL, PSYCHO-
3 SOCIAL, OR LEGAL PROBLEMS REQUIRING TREATMENT,
4 HOSPITALIZATION, COUNSELING, LEGAL REPRESENTATION, OR
5 ANY OTHER KIND OF INTERVENTION BY THE AUTHORITIES IN THE
6 COUNTRY WHERE THEY ARE FOUND;

7
8 ~~[(s)]~~ (U) *Population-based health services – xxx;*

9
10 ~~[(+)]~~ (V) *Primary care – xxx;*

11
12 ~~[(u)]~~ (W) *Primary care provider – xxx;*

13
14 (X) *Private health insurance* refers to coverage of a defined set of health services
15 financed through private payments in the form of a premium to the insurer; ~~[and]~~

16
17 (Y) **REAL-WORLD EVIDENCE** REFERS TO CLINICAL EVIDENCE ON A
18 MEDICAL PRODUCT’S SAFETY AND EFFICACY THAT IS GENERATED
19 USING SEVERAL SOURCES OF DATA, INCLUDING ELECTRONIC
20 HEALTH RECORDS, REGISTRIES, CLAIMS/BILLING DATA, AND
21 PATIENT-GENERATED DATA INCLUDING THOSE FROM MOBILE
22 HEALTH APPLICATIONS AND WEARABLE DEVICES; AND

23
24 ~~[(+)]~~ (Z) *Unethical act. – xxx.”*

25
26 SEC. 2. Section 9 of Republic Act No. 11223 is hereby amended to read as follows:

27
28 “SEC. 9. *Entitlement to Benefits.* – Every member shall be granted immediate
29 eligibility for health benefit package under the Program: *Provided,* That PhilHealth
30 Identification Card shall not be required in the availment of any health service:
31 *Provided, further,* That no co-payment shall be charged for services rendered in basic
32 or ward accommodation: *Provided, furthermore,* That co-payments and co-insurance
33 for amenities in public hospitals shall be regulated by the DOH and PhilHealth:
34 *Provided, finally,* That the current PhilHealth package for members shall not be
35 reduced.

36
37 PhilHealth shall provide additional Program benefits for direct contributors, where
38 applicable: *Provided,* That failure to pay premiums shall not prevent the enjoyment
39 of any Program benefits: *Provided, further,* That employers and self-employed direct
40 contributors shall be required to pay all missed contributions with an interest,
41 compounded monthly, of at least three percent (3%) for employers, and not
42 exceeding one and one-half percent (1.5%) **SIMPLE INTEREST MONTHLY** for
43 self-earning, professional practitioners, and migrant workers.”

44
45 SEC. 3. Section 10 of Republic Act No. 11223 is hereby amended to read as follows:

46
47 “SEC. 10. *Premium Contributions.* – For direct contributors, premium rates
48 shall be in accordance with the following schedule, and monthly income floor and
49 ceiling:

Year	Premium Rate	Income Floor	Income Ceiling
2019	2.75%	P10,000.00	P50,000.00
2020	3.00%	P10,000.00	P60,000.00
2021	3.50%	P10,000.00	P70,000.00
2022	4.00%	P10,000.00	P80,000.00
2023	4.50%	P10,000.00	P90,000.00
2024	5.00%	P10,000.00	P100,000.00
2025	5.00%	P10,000.00	P100,000.00

1 **PREMIUM CONTRIBUTIONS FOR DIRECT AND INDIRECT**
2 **CONTRIBUTORS SHALL BE DERIVED FROM ACTUARIALLY-**
3 **ADJUSTED RATES, CONSIDERING BUT NOT LIMITED TO THE**
4 **PROJECTED HEALTHCARE UTILIZATION, COST TRENDS, AND**
5 **DEMOGRAPHIC AND ECONOMIC FACTORS. FOR THIS PURPOSE, AN**
6 **ANNUAL ACTUARIAL REPORT SHALL BE CONDUCTED BY**
7 **PHILHEALTH AND SUBMITTED TO CONGRESS: *PROVIDED*, THAT A**
8 **NON-GOVERNMENT, IMPARTIAL, AND CREDIBLE INDEPENDENT**
9 **BODY TO BE DETERMINED BY THE UNIVERSAL HEALTH CARE**
10 **COORDINATING COUNCIL (UHC-CC), ESTABLISHED UNDER**
11 **SECTION 10 OF THIS ACT SHALL REVIEW THE ANNUAL**
12 **ACTUARIAL REPORT PRIOR TO ITS SUBMISSION TO CONGRESS TO**
13 **ENSURE TRANSPARENCY AND ACCURACY IN THE FINDINGS.**
14

15 **THE ACTUARIALLY-ADJUSTED PREMIUM RATES, AS**
16 **DETERMINED BY THE ANNUAL ACTUARIAL REVIEW, SHALL BE**
17 **SUBJECT TO THE APPROVAL OF CONGRESS, AS AN INTEGRAL**
18 **PART OF THE BUDGET PROCESS: *PROVIDED*, THAT THE PREMIUM**
19 **RATE SHALL BE SET AT THREE AND ONE-HALF PERCENT (3.5%),**
20 **AND THE PREMIUM FLOOR AND PREMIUM CEILING SHALL**
21 **REMAIN THE SAME UNTIL THE ACTUARIAL REVIEW HAS BEEN**
22 **SUBMITTED AND APPROVED BY CONGRESS, PRIMARILY FOR**
23 **BENEFITS EXPANSION AND SOCIAL SOLIDARITY**
24 **CONSIDERATIONS: *PROVIDED, FURTHER*, THAT UPON**
25 **LEGISLATIVE APPROVAL, ADJUSTMENTS TO PREMIUM RATES**
26 **SHALL BE IMPLEMENTED AT THE COMMENCEMENT OF THE**
27 **FOLLOWING FISCAL YEAR.**
28

29 **FOR MIGRANT WORKERS, PREMIUM CONTRIBUTIONS SHALL**
30 **BE BASED ON THE INCOME FLOOR: *PROVIDED*, THAT FIFTY**
31 **PERCENT (50%) OF THE PREMIUM CONTRIBUTION OF MIGRANT**
32 **WORKERS SHALL BE SHOULDERED BY THE NATIONAL**
33 **GOVERNMENT: *PROVIDED, FURTHER*, THAT EMPLOYERS OF**
34 **SEAFARERS, THROUGH THE LOCAL MANNING AGENCIES, SHALL**
35 **CONTINUE TO SHOULDER FIFTY PERCENT (50%) OF THE PREMIUM**
36 **CONTRIBUTION OF THE SEAFARERS: *PROVIDED, FURTHERMORE*,**
37 **THAT EMPLOYERS OF LAND-BASED MIGRANT WORKERS SHALL**
38 **SHOULDER FIFTY PERCENT (50%) OF THE PREMIUM**
39 **CONTRIBUTION OF SAID MIGRANT WORKERS: *PROVIDED*,**
40 ***FURTHERMORE*, THAT UNPAID PREMIUM CONTRIBUTIONS OF**

1 MIGRANT WORKERS AND OVERSEAS FILIPINOS IN DISTRESS
2 UNDER REPUBLIC ACT NO. 8042, OTHERWISE KNOWN AS THE
3 ‘MIGRANT WORKERS AND OVERSEAS FILIPINOS ACT OF 1995’, AS
4 AMENDED BY REPUBLIC ACT NO. 10022, SHALL NOT BE
5 COLLECTED UPON THEIR ARRIVAL IN THE COUNTRY: *PROVIDED*,
6 *FINALLY*, THAT FAILURE TO PAY PHILHEALTH CONTRIBUTIONS
7 SHALL NOT BE A GROUND FOR THE NON-ISSUANCE OF AN
8 OVERSEAS EMPLOYMENT CERTIFICATE OF A MIGRANT WORKER.

9
10 FILIPINOS WITH DUAL CITIZENSHIP (FDC), OR THOSE WHO
11 HAVE RETAINED AND RE-ACQUIRED FILIPINO CITIZENSHIP BY
12 VIRTUE OF REPUBLIC ACT NO. 9225, OR THE ‘CITIZENSHIP
13 RETENTION AND RE-ACQUISITION ACT OF 2003’, MAY ENJOY THE
14 BENEFITS PROVIDED BY THE STATE HEALTH INSURER: *PROVIDED*,
15 THAT FAILURE TO PAY PREMIUMS SHALL NOT PREVENT THE FDC
16 AND THEIR LEGAL DEPENDENTS FROM ENJOYING ANY PROGRAM
17 BENEFIT.

18
19 ~~[Provided, That]~~ For indirect contributors, premium subsidy shall be gradually
20 adjusted and included annually in the General Appropriations Act (GAA):
21 *Provided*, ~~[further,]~~ That the funds shall be released to PhilHealth: *Provided*,
22 ~~further[more:]~~, That the DOH, in coordination with PhilHealth, may request
23 Congress to appropriate supplemental funding to meet targeted milestones of this
24 Act: *Provided*, ~~[finally]~~ **FURTHERMORE**, That for every increase in the rate of
25 contribution of direct contributors and premium subsidy of indirect contributors,
26 PhilHealth shall provide for a corresponding increase in benefits: **PROVIDED**,
27 **FINALLY**, THAT ANY UNUSED PORTION OF THE PREMIUM SUBSIDY
28 OF INDIRECT CONTRIBUTORS SHALL BE USED EXCLUSIVELY FOR
29 AN INCREASE IN BENEFITS OR DECREASE IN FORTHCOMING
30 PREMIUM SUBSIDIES, THE PROVISIONS OF EXISTING LAWS TO
31 THE CONTRARY NOTWITHSTANDING.”

32
33 **SEC. 4.** Section 11 of Republic Act No. 11223 is hereby amended to read as follows:

34
35 “SEC. 11. *Program Reserve Funds.* – PhilHealth shall set aside a portion of its
36 accumulated revenues **AS MENTIONED IN SECTION 37 OF THIS ACT AND**
37 **ANY OTHER INCOME FROM ANY SOURCE** not needed to meet the cost of the
38 current year’s expenditures as reserve funds: *Provided*, That the total amount of reserves
39 shall not exceed a ceiling equivalent to the amount actuarially estimated for two (2)
40 years’ projected Program expenditures: *Provided, further*, That whenever actual
41 reserves exceed the required ceiling at the end of the fiscal year, the excess of the
42 PhilHealth reserve fund shall be used to increase the Program’s benefits and to decrease
43 the ~~[amount of members’ contributions]~~ **PREMIUM CONTRIBUTION RATES OF**
44 **MEMBERS: PROVIDED, FINALLY, THAT THE DOH AND PHILHEALTH**
45 **SHALL INCLUDE A MECHANISM FOR LOWERING PREMIUM**
46 **CONTRIBUTION IN THE IMPLEMENTING RULES AND REGULATIONS**
47 **OF THIS ACT.**

48
49 xxx

1 (a) xxx
2
3 (b) xxx
4
5 (c) xxx
6
7 (d) xxx
8
9 (e) xxx
10
11 (f) In bonds, securities, promissory notes, or other evidences of indebtedness of
12 accredited and financially sound [medical] **GOVERNMENT FINANCIAL**
13 institutions exclusively to finance the construction, improvement and maintenance of
14 hospitals and other medical facilities, **INCLUDING PURCHASE AND**
15 **MAINTENANCE OF CLINICAL EQUIPMENT AND DEVICES:** *Provided,* That
16 such securities and instruments shall be guaranteed by the Republic of the Philippines
17 or the issuing [medical] **GOVERNMENT FINANCIAL** institution and the issued
18 securities are both rated triple ‘A’ by authorized accredited domestic rating agencies:
19 *Provided, further,* That said investments shall not exceed ten percent (10%) of the total
20 reserve fund; and
21
22 (g) In debt instruments and other securities traded in the secondary markets with the
23 same intrinsic quality as those enumerated in paragraphs (a) to (e) hereof, subject to the
24 approval of the PhilHealth Board.
25
26 ~~[No portion of the reserve fund or income thereof shall accrue to the general fund of~~
27 ~~the National Government or to any of its agencies or instrumentalities, including~~
28 ~~government-owned or controlled corporations.]~~
29
30 As part of its investments operations, PhilHealth may hire institutions with valid trust
31 licenses as its external local fund managers to manage the reserve fund, as it may deem
32 appropriate, through public bidding. The fund manager shall submit an annual report on
33 investment performance to PhilHealth.
34
35 xxx
36
37 The PhilHealth shall manage the supplemental benefits fund to the minimum
38 required to ensure that the supplemental benefit payments are secure.
39
40 **NOTWITHSTANDING ANY LAW TO THE CONTRARY, NO PORTION OF**
41 **THE RESERVE FUND OR ANY FUND OR INCOME OF PHILHEALTH,**
42 **INCLUDING THE PROVIDENT FUND UNDER SECTION 16 (C) AND THE**
43 **SPECIAL HEALTH FUND UNDER SECTION 20 OF THIS ACT, SHALL**
44 **ACCRUE TO THE GENERAL FUND OF THE NATIONAL GOVERNMENT**
45 **OR TO ANY OF ITS AGENCIES OR INSTRUMENTALITIES, INCLUDING**
46 **GOVERNMENT-OWNED OR-CONTROLLED CORPORATIONS.”**

1 SEC. 5. Section 12 of Republic Act No. 11223 is hereby amended to read as follows:

2 “SEC. 12. *Administrative Expense.* – ~~[No more than seven and one-half percent~~
3 ~~(7.5%) of the actual total premium collected from direct and indirect contributory~~
4 ~~members during the immediately preceding year shall be allotted for the~~
5 ~~administrative cost of implementing the Program.]~~

6
7 **THE CORPORATION IS AUTHORIZED TO CHARGE THE COSTS OF**
8 **ADMINISTERING THE PROGRAM. SUCH COSTS MAY INCLUDE**
9 **ADMINISTRATION, MONITORING, MARKETING AND PROMOTION,**
10 **RESEARCH AND DEVELOPMENT, AUDIT AND EVALUATION,**
11 **INFORMATION SERVICES, AND OTHER NECESSARY ACTIVITIES**
12 **FOR THE EFFECTIVE MANAGEMENT OF THE PROGRAM. THE**
13 **TOTAL ANNUAL COSTS FOR THESE SHALL NOT EXCEED SEVEN**
14 **AND ONE-HALF PERCENT (7.5%) OF THE TOTAL REIMBURSEMENTS**
15 **OR TOTAL COST OF HEALTH SERVICES PAID BY THE**
16 **CORPORATION IN THE IMMEDIATELY PRECEDING YEAR.”**

17
18 SEC. 6. Section 13 of Republic Act No. 11223 is hereby amended to read as follows:

19
20 “SEC.13. *PhilHealth Board of Directors.* –

21
22 (a) xxx

23
24 (b) The Secretary of Health shall be an ex-officio ~~[nonvoting]~~ **VOTING** Chairperson
25 of the Board.

26
27 (c) xxx.”

28
29 SEC. 7. A new section is hereby added to Republic Act No. 11223, immediately after
30 Section 16 thereof, to read as follows:

31
32 **“SEC. 16-A. – COMPETITION AND INNOVATION IN THE PHILHEALTH**
33 **BENEFIT DELIVERY SYSTEM. – THE PHILHEALTH BENEFIT DELIVERY**
34 **SYSTEM SHALL BE OPEN TO COMPETITION AND INNOVATION,**
35 **WHERE MANAGEMENT MAY ALLOW ALTERNATIVE SUPPLY**
36 **ARRANGEMENTS SUCH AS PUBLIC, PRIVATE, OR CONSORTIA OF**
37 **PUBLIC AND PRIVATE ENTITIES TO COMPETITIVELY BID FOR THE**
38 **PROVISION OF PHILHEALTH BENEFITS TO SELECT MEMBERSHIP**
39 **GROUPS: PROVIDED, THAT THE SELECTION OF MEMBERSHIP**
40 **GROUPS MUST RESULT IN COST-EFFECTIVE BENEFIT SPENDING:**
41 **PROVIDED, FURTHER, THAT THE ADMINISTRATIVE COSTS OF SUCH**
42 **THIRD-PARTY PROVIDERS ARE INCLUDED IN THE OVERALL CAP**
43 **LEGISLATED FOR THE PROGRAM: PROVIDED, FINALLY, THAT THE**
44 **FOLLOWING SHALL BE KEY CONSIDERATIONS IN THE COMPETITIVE**
45 **SELECTION OF BIDDERS:**

46
47 **(I) MAXIMUM COVERAGE FOR A GIVEN PESO VALUE OF**
48 **PREMIUM;**

1 (II) THE PROVIDER HAS A SUFFICIENT NETWORK OF OWN
2 FACILITIES AND PARTNERS THAT CAN SUPPORT PORTABILITY
3 OF BENEFITS; AND

4
5 (III) CONCESSION PERIOD TO ALLOW PROVIDERS TO RECOVER
6 INVESTMENTS.”

7
8 SEC. 8. Section 20 of Republic Act No. 11223 is hereby amended to read as follows:
9

10 “SEC. 20. *Special Health Fund*. – The province-wide or city-wide health system shall
11 pool and manage, through a special health fund, all resources intended for health services
12 to finance population-based and individual-based health services, health system operating
13 costs, capital investments, and remuneration of [additional] health workers and incentives
14 for all health workers: **PROVIDED, THAT COMPONENT CITIES AND**
15 **MUNICIPALITIES MAY ESTABLISH AND/OR MAINTAIN THEIR OWN**
16 **SPECIAL HEALTH FUNDS FOR THE SAME PURPOSE AS PROVIDED FOR IN**
17 **THIS ACT: *Provided, FURTHER,*** That the DOH, in consultation with the UHC-CC,
18 DBM, and the LGUs, shall develop guidelines for the use of the Special Health Fund.”
19

20 SEC. 9. Section 21 of Republic Act No. 11223 is hereby amended to read as follows:
21

22 “SEC. 21. *Income Derived from PhilHealth Payments*. – All income derived from
23 PhilHealth payments shall accrue to the Special Health Fund **OF THE PROVINCE-**
24 **WIDE OR CITY-WIDE HEALTH SYSTEMS AS ESTABLISHED OR**
25 **MAINTAINED ABOVE: PROVIDED, THAT SUCH INCOME SHALL BE**
26 **APPORTIONED BETWEEN AND AMONG THE VARIOUS SPECIAL HEALTH**
27 **FUNDS ACCORDING TO A FORMULA TO BE DETERMINED BY THE UHC**
28 **COORDINATING COUNCIL: PROVIDED, FURTHER, THAT ALL SPECIAL**
29 **HEALTH FUNDS ARE** to be allocated by the LGUs exclusively for the improvement
30 of the LGU health system: *Provided, FURTHERMORE,* That PhilHealth payments shall
31 be credited to the annual regular income (ARI) of the LGU **THAT OWNS THE**
32 **HEALTH CARE INSTITUTION FOR WHICH IT IS DUE: PROVIDED, FINALLY,**
33 **THAT HEALTH FACILITIES OPERATING AS LOCAL ECONOMIC**
34 **ENTERPRISES (LEE) SHALL BE ALLOWED TO RETAIN THEIR INCOME**
35 **DERIVED FROM PHILHEALTH AND THAT LGUS MAY CONTINUE TO**
36 **SUBSIDIZE LEE.”**
37

38 SEC. 10. A new Section 30-A shall be inserted before Section 30 of Republic Act No.
39 11223, which shall in turn be renumbered to Section 30-B. The new Section 30-A shall read
40 as follows:
41

42 “SEC. 30-A. **THE UNIVERSAL HEALTH CARE COORDINATING COUNCIL**
43 **(UHC-CC).** – **THE UNIVERSAL HEALTH CARE COORDINATING**
44 **COUNCIL IS HEREBY CREATED AS A NATIONAL GOVERNANCE BODY,**
45 **WHICH SHALL INTENSIFY THE GOVERNMENT’S EFFORTS IN**
46 **PURSUING THE DEVELOPMENT OF POLICIES, AS WELL AS**
47 **UNDERTAKING PROGRAMS AND PROJECTS RELATING TO THE UHC.**
48 **AS A NATIONAL GOVERNANCE BODY, IT SHALL EXPEDITE THE**

IMPLEMENTATION OF REPUBLIC ACT NO. 11223 OR THE UHC ACT AT THE NATIONAL AND SUBNATIONAL LEVELS AND PROVIDE A VENUE FOR POLICY DISCOURSE AND OPERATIONAL COLLABORATION AMONG RELEVANT AGENCIES AND ORGANIZATIONS. IT SHALL BE COMPOSED OF:

- (a) THE SECRETARY OF HEALTH AS COUNCIL CHAIR;**
- (b) THE SECRETARY OF THE INTERIOR AND LOCAL GOVERNMENT AS COUNCIL CO-CHAIR; AND**
- (c) COUNCIL MEMBERS COMPRISED OF HEAD OFFICIALS OR THEIR DESIGNATED ALTERNATES FROM THE FOLLOWING AGENCIES AND ORGANIZATIONS:**
 - (i) COMMISSION ON HIGHER EDUCATION (CHED);**
 - (ii) DEPARTMENT OF BUDGET AND MANAGEMENT (DBM);**
 - (iii) DEPARTMENT OF EDUCATION (DEPED);**
 - (iv) DEPARTMENT OF FINANCE (DOF);**
 - (v) DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY (DICT);**
 - (vi) DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE);**
 - (vii) DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT (DSWD);**
 - (viii) NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY (NEDA);**
 - (ix) PHILIPPINE STATISTICS AUTHORITY (PSA);**
 - (x) PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES (PIDS);**
 - (xi) PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH);**
 - (xii) PROFESSIONAL REGULATION COMMISSION (PRC);**
 - (xiii) TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY (TESDA);**
 - (xiv) UNION OF LOCAL AUTHORITIES OF THE PHILIPPINES (ULAP); AND**
 - (xv) UNIVERSITY OF THE PHILIPPINES MANILA - NATIONAL INSTITUTES OF HEALTH (UPM-NIH);**

THE OFFICE OF THE PRESIDENT SHALL PROVIDE FURTHER DIRECTION TO ITS ESTABLISHMENT AND FUNCTION BY ISSUANCE OF AN EXECUTIVE ORDER.

THE SECRETARIAT OF THE UHC-CC SHALL BE DESIGNATED BY THE SECRETARY OF HEALTH FROM THE EXISTING PERSONNEL OF THE DOH. IT MAY BE COMPLEMENTED BY ADDITIONAL STAFF FROM PHILHEALTH.

THE ADMINISTRATIVE EXPENSES NECESSARY FOR THE FUNCTIONS OF THE UHC-CC SHALL BE DRAWN FROM THE PHILHEALTH CORPORATE OPERATING BUDGET.”

1 SEC. 11. Section 32 of Republic Act No. 11223 is hereby amended to read as follows:

2
3 "SEC. 32. *Monitoring [and], Evaluation, AND ACCOUNTABILITY.* –

4
5 (a) xxx

6
7 (b) xxx

8
9 (C) IN ADDITION TO AUDITS BY THE COMMISSION ON AUDIT (COA)
10 AS MANDATED BY LAW AND RELEVANT REGULATIONS,
11 PHILHEALTH SHALL BE SUBJECT TO EXTERNAL AUDIT AT LEAST
12 ONCE EVERY FISCAL YEAR BY AN ACCREDITED PRIVATE-SECTOR
13 AUDITING FIRM TO BE IDENTIFIED BY THE UHC-CC; AND

14
15 (D) THE PHILHEALTH PRESIDENT AND CEO SHALL SUBMIT TO THE
16 PHILHEALTH BOARD, THE PRESIDENT OF THE REPUBLIC OF THE
17 PHILIPPINES, AND CONGRESS, A REPORT ON THE MEASURES
18 TAKEN BY THE CORPORATION TO ADDRESS ISSUES RAISED IN
19 AUDIT REPORTS BY THE COA AND IN THE THIRD-PARTY AUDIT."

20
21 SEC. 12. Section 34 of Republic Act No. 11223 is hereby amended to read as follows:

22
23 "SEC. 34. *Health Technology Assessment (HTA).* – (a) The HTA process shall be
24 institutionalized as a fair and transparent priority setting mechanism that shall be
25 recommendatory to the DOH and PhilHealth for [the development of policies and
26 programs, regulation, and the determination of a range of entitlements such as drugs,
27 medicines, pharmaceutical products, and other devices, procedures and services]
28 **THE FINANCING OF A SPECIFIC HEALTH TECHNOLOGY USED AS A**
29 **HUMAN INTERVENTION AS PART OF BENEFITS OR PROGRAM**
30 **IMPLEMENTATION** as provided for under this Act: *Provided,* That investments on any
31 health technology or development of any benefit package by the DOH and PhilHealth shall
32 be [based on the positive] **INFORMED BY THE** recommendations of the HTA:
33 *Provided, further,* That despite having undergone the HTA process, all health technology,
34 intervention or benefit package shall still be subjected to periodic review: *Provided,*
35 *furthermore,* That a health technology assessment may be conducted as new evidence
36 emerges which may have substantial impact on the initial coverage decision by the DOH
37 or PhilHealth: *Provided, finally,* That the HTA process shall adhere to the principles
38 of ethical soundness, inclusiveness and preferential regard for the underserved,
39 evidence-based and scientific defensibility, transparency and accountability, efficiency,
40 enforceability and availability of remedies, and due process.

41
42 (b) The following criteria must be observed in the conduct of HTA:

43
44 (1) *Responsiveness to DISEASE Magnitude, AND Severity [, and Equity].* – The
45 health interventions must address the top medical conditions that place the heaviest
46 burden on the population, including dimensions of magnitude or the number of people
47 affected by a health problem, and severity or health loss by an individual as a result of
48 disease, such as death, handicap, disability or pain, and conditions of the poorest and
49 most vulnerable population;

1 (2) *Safety and Effectiveness.* – Each intervention must have undergone [Phase IV]
2 **APPROPRIATE** clinical trial. [~~and systematic review and meta-analysis must be~~
3 ~~readily available.~~] The interventions must also not pose any harm to the users and
4 health care providers **IN CASES WHERE THE INTERVENTION MAY CAUSE**
5 **HARM SUCH AS RADIATION DOSES, THE INTERVENTION MUST**
6 **INCLUDE PRECAUTIONS OR MEASURES TO MINIMIZE THE RISK TO**
7 **THE USER AND HEALTH CARE PROVIDERS.**

8
9 **ALL DRUGS MUST HAVE UNDERGONE PHARMACOVIGILANCE**
10 **STUDIES SUCH AS BUT NOT LIMITED TO PHASE IV CLINICAL TRIAL**
11 **OR REAL-WORLD EVIDENCE, AND THERE MUST BE A BENEFIT-RISK**
12 **ASSESSMENT: *PROVIDED*, THAT FOR THE FOLLOWING HEALTH**
13 **TECHNOLOGIES WHERE PHASE IV CLINICAL TRIALS MAY NOT BE**
14 **CONSISTENTLY AVAILABLE, REAL-WORLD EVIDENCE, INCLUDING**
15 **ALL RELEVANT AND DEPENDABLE SOURCES OF EVIDENCE SHALL**
16 **BE CONSIDERED:**

- 17
18 (i) **TRADITIONAL MEDICINE;**
19
20 (ii) **PREVENTIVE AND PROMOTIVE HEALTH;**
21
22 (iii) **MEDICAL AND SURGICAL PROCEDURES;**
23
24 (iv) **CLINICAL EQUIPMENT AND DEVICES; AND**
25
26 (v) **DIGITAL AND OTHER HEALTH TECHNOLOGIES.**
27

28 ***PROVIDED*, THAT IN CASE OF A PANDEMIC OR UPON THE**
29 **DECLARATION OF A STATE OF PUBLIC HEALTH EMERGENCY, THE**
30 **REQUIREMENT FOR POST MARKETING SURVEILLANCE STUDIES**
31 **FOR DRUGS AND VACCINES MAY BE DISPENSED WITH: *PROVIDED*,**
32 ***FURTHER*, THAT SUCH DRUGS OR VACCINES RECEIVE EMERGENCY**
33 **USE AUTHORIZATION (EUA) FROM THE FOOD AND DRUG**
34 **ADMINISTRATION WHILE THE RESULTS OF RANDOMIZED TRIALS,**
35 **WHETHER PRELIMINARY OR FINAL RESULTS, ARE NOT AVAILABLE.**
36

37 xxx

38
39 **(6) *ETHICAL, LEGAL, SOCIAL, AND HEALTH SYSTEMS IMPLICATIONS.***
40 **– THE HTAC MUST BE GIVEN THE FLEXIBILITY TO MODIFY ITS**
41 **EVALUATION FRAMEWORK DURING PUBLIC HEALTH**
42 **EMERGENCIES WHEREIN THERE ARE LIMITATIONS IN TERMS OF**
43 **TYPES OF EVIDENCE AND URGENCY IN PRODUCING**
44 **RECOMMENDATIONS.**

45 **EACH INTERVENTION MAY BE ASSESSED FOR THE FOLLOWING:**

- 46
47 (i) **ETHICAL CONSIDERATIONS – SITUATIONS WHERE THE USE OR**
48 **ABSENCE OF THE TECHNOLOGY MAY RUN COUNTER TO THE**
49 **PRINCIPLE OF JUSTICE, EQUITY OR FAIRNESS OF HEALTHCARE**

SUCH AS RISKS OF THE TECHNOLOGY WITH RESPECT TO BASIC HUMAN RIGHTS;

- (ii) LEGAL CONSIDERATIONS – LOCAL AND INTERNATIONAL LAWS CONCERNING REGULATION OF PARTICULAR HEALTH TECHNOLOGIES SUCH AS PATENT, MARKET ENTRY, OFF-LABEL USE, DATA PROTECTION, PRODUCT LIABILITY, PATIENT RIGHTS, DISEASE-SPECIFIC LAWS AND POLICIES; IMPACT OF DECISIONS TO OTHER EXISTING POLICIES;
- (iii) SOCIAL IMPLICATIONS – CONSIDERATION OF PATIENT EXPERIENCE, PREFERENCES AND VALUES SUCH AS MORAL, RELIGIOUS AND CULTURAL; ACCOUNTING OF HEALTH DISPARITIES BASED ON ETHNICITY, AGE, GENDER IDENTITY, SEXUAL ORIENTATION, SOCIOECONOMIC STATUS, OR GEOGRAPHICAL LOCATION; AND
- (iv) HEALTH SYSTEM IMPLICATIONS – EFFECTS ON THE CURRENT HEALTH SYSTEM AND SERVICE DELIVERY; CHANGE IN CLINICAL PRACTICE GUIDELINES AND IMPACT TO THE VARIATION IN PRACTICE; INFRASTRUCTURE AND HUMAN RESOURCE NEEDS; HEALTH SYSTEM ISSUES THAT MAY IMPACT ACCESS TO THE TECHNOLOGY.

xxx

(c) The HTAC, to be composed of health experts, shall be ~~[created within the DOH]~~ **CONSTITUTED WITHIN THE DOST** and supported by a Secretariat and a Technical Unit for Policy, Planning and Evaluation with evidence generation and validation capacity **IN ITS TRANSITION INTO AN INDEPENDENT AGENCY ATTACHED TO THE DOST UPON ESTABLISHMENT AND EFFECTIVE OPERATION UNDER THE DOH.** The HTAC shall: (1) facilitate provision of financing and/or coverage recommendations on health technologies to be financed by DOH and PhilHealth; (2) oversee and coordinate the HTA process with DOH and PhilHealth; and (3) review and assess existing DOH and PhilHealth benefit packages. ~~[Within five (5) years after the establishment and effective operation of the HTAC, it shall transition into an independent entity separate from the DOH, attached to DOST].~~

(d) The HTAC shall conduct the HTA in accordance with the principles, criteria, and procedures of this Act and ensure that its process is transparent, conducted with reasonable promptness, and the result of its deliberations is made public. The HTAC shall consist of a core committee and subcommittees.

The core committee, which shall elect from among themselves its Chairperson, shall be composed of nine (9) voting members, namely: a public health epidemiologist; a health economist; an ethicist; a citizen’s representative; a sociologist or anthropologist; a clinical trial or research methods expert; a clinical epidemiologist or evidence-based medicine expert; a medico-legal expert; and a public health expert.

1 The subcommittees to be constituted shall include, among others: Drugs,
2 Vaccines, Clinical Equipment and Devices, Medical and Surgical Procedure,
3 Preventive and Promotive Health Services, and Traditional Medicine, **AND**
4 **DIGITAL AND OTHER HEALTH TECHNOLOGIES**. Each subcommittee
5 shall have a minimum of [~~one (1) and maximum of~~] three (3) [~~non-voting~~]
6 members [~~for each subcommittee~~].
7

8 The HTAC may call upon technical resource persons from the DOH,
9 PhilHealth, Food and Drug Administration (FDA), patient groups, [~~and clinical~~
10 ~~medicine~~] **HTA-RELATED** experts [~~as regular resource persons~~]; and
11 representatives from the private sector and health care providers [~~as by~~
12 ~~invitation~~] resource persons. **THESE RESOURCE PERSONS EXCEPT**
13 **GOVERNMENT REPRESENTATIVES SHALL RECEIVE AN**
14 **HONORARIUM IN ACCORDANCE WITH EXISTING BUDGETARY**
15 **LAWS, RULES AND REGULATIONS.**
16

17 (e) The HTAC's core committee and subcommittee members shall be
18 appointed by the Secretary of [~~Health~~] **SCIENCE AND TECHNOLOGY**
19 **FOLLOWING ITS TRANSITION FROM DOH INTO AN ATTACHED**
20 **AGENCY UNDER DOST** for a term of [~~three (3)~~] **FOUR (4)** years except for
21 the medico-legal expert, ethicist, and the sociologist or anthropologist who shall
22 serve for a term of [~~four (4)~~] **FIVE (5)** years: *Provided*, That no member shall
23 serve for more than three (3) consecutive terms: *Provided, further*, That the
24 members of the HTAC **AND ANY INVITED RESOURCE PERSONS**
25 **EXCEPT GOVERNMENT REPRESENTATIVES** shall receive an
26 honorarium in accordance with existing [~~policies~~] **BUDGETARY LAWS,**
27 **RULES AND REGULATIONS.:** *Provided, furthermore*, That the DOH shall
28 promulgate the nomination process for all HTAC members with a clear set of
29 qualifications, credentials and recommendations from the sectors
30 concerned[~~:Provided, finally, That the Secretary of the DOST shall appoint the~~
31 ~~members of the HTAC upon its transition into an attached agency under DOST~~]."
32

33 **SEC. 13.** Section 36 of Republic Act No. 11223 is hereby amended to read as follows:
34

35 "SEC. 36. *Health Information System.* – All health service providers and insurers
36 shall each maintain a health information system consisting of enterprise resource
37 planning, human resource information, electronic health records, and an electronic
38 prescription log consistent with DOH standards, which shall be electronically uploaded
39 on a regular basis through interoperable systems: *Provided*, That the health information
40 system shall be developed and funded by the DOH and PhilHealth: *Provided, further*,
41 That patient privacy and confidentiality shall at all times be upheld, in accordance with
42 the Data Privacy Act of 2012.
43

44 **PHILHEALTH SHALL MAINTAIN AN ELECTRONIC NATIONAL**
45 **HEALTH RECORDS SYSTEM WHERE PATIENT DATA, INCLUDING ALL**
46 **REQUESTED, ACTUALLY GRANTED, AND PAID CLAIMS AND BENEFITS**
47 **SHALL BE STORED, AND MAY BE OBTAINED UPON REQUEST BY THE**
48 **PATIENT. THE DICT SHALL PROVIDE SUPPORT IN DESIGNING A**
49 **SECURE DATABASE WITH MECHANISMS FOR DETECTING PROBABLE**
1 **FRAUD: PROVIDED, THAT THE DATABASE SHALL ABIDE BY THE ‘ONE-**
2 **PATIENT, ONE-RECORD’ PRINCIPLE."**

3
4 **SEC. 14.** Section 38 of Republic Act No. 11223 is hereby amended to read as follows:

5
6 “SEC. 38. *Penal Provisions.* –

7
8 xxx

9
10 **(F) ANY LGU OFFICIAL WHO MISAPPROPRIATES, DIVERTS, OR**
11 **USES FUNDS ALLOCATED UNDER THIS ACT FOR NON-HEALTH**
12 **RELATED EXPENDITURES, OR PERMITS SUCH MISUSE KNOWINGLY,**
13 **SHALL BE SUBJECT TO THE FOLLOWING PENALTIES:**

14 **(1) A FINE OF NOT LESS THAN ONE HUNDRED THOUSAND PESOS**
15 **(P100,000.00) AND NOT MORE THAN FIVE HUNDRED THOUSAND PESOS**
16 **(P500,000.00) PER VIOLATION;**

17
18 **(2) IMPRISONMENT FOR A TERM OF NOT LESS THAN ONE (1) YEAR**
19 **AND NOT MORE THAN SIX (6) YEARS; AND**

20
21 **(3) DISQUALIFICATION FROM HOLDING ANY PUBLIC OFFICE FOR**
22 **A PERIOD OF NOT LESS THAN FIVE (5) YEARS.”**

23
24 **SEC. 15. *Non-diminution of Benefits.*** – Nothing in this Act shall be construed to
25 eliminate or diminish any benefits or entitlements already granted to members of
26 PhilHealth.

27
28 **“SEC. 16. *IMPLEMENTING RULES AND REGULATIONS.*** – **THE DOH AND**
29 **THE PHILHEALTH, IN CONSULTATION WITH THE UHC-CC, SHALL**
30 **PROMULGATE THE NECESSARY RULES AND REGULATIONS FOR THE**
31 **EFFECTIVE IMPLEMENTATION OF THIS ACT NO LATER THAN ONE**
32 **HUNDRED EIGHTY (180) DAYS UPON THE EFFECTIVITY OF THIS ACT.”**

33
34 **SEC. 17. *Separability Clause.*** – If any provision of this Act is declared invalid or
35 unconstitutional, the remainder thereof not otherwise affected shall remain in full force
36 and effect.

37
38 **SEC. 18. *Repealing Clause.*** – All laws, presidential decrees, executive orders, letters of
39 instruction, proclamations, and administrative regulations that are inconsistent with the
40 provisions of this Act are hereby repealed, amended, or modified accordingly.

41
42 **SEC. 19. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in
43 the *Official Gazette* or in a newspaper of general circulation.

Approved,