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

TWENTIETH CONGRESS
Second Regular Session

House Bill No. 11369



INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO AND JOCELYN P. TULFO

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"

EXPLANATORY NOTE

Article II, Section 15 of the 1987 Philippine Constitution, provides that the State shall protect and promote the right to health of the people and instill health consciousness among them. Likewise, Article XIII, Section 11 mandates the State to 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.

The Philippine healthcare system continues to face significant challenges, including the shortage of healthcare professionals, inadequate medical facilities, and high out-of-pocket healthcare costs that place a heavy financial burden on many Filipino families. In the 2025 Health Care Index, the Philippines placed 87th out of 110 countries, scoring only 32.55 out of 100, lagging in resilient healthcare in terms of

infrastructure, medical professionals, medicine availability and cost, and government readiness.[1]

Many Filipinos still have limited access to proper medical care, especially those living in poor and underserved communities. Moreover, most advanced healthcare facilities remain concentrated in major urban centers, resulting in disparities in healthcare access across regions. These challenges highlight the need to further strengthen the country's healthcare system and improve the delivery of essential health services, including the capability to respond effectively to future health crises.

This bill seeks to strengthen the implementation of Republic Act No. 11223, otherwise known as the "Universal Health Care Act", by improving efficiency in health service delivery, promoting equitable access to quality healthcare, and improving the country's preparedness and response to public health emergencies. It also aims to improve coordination between national and local health institutions, strengthen healthcare infrastructure and resources, and ensure that the healthcare system remains responsive to the needs of the Filipino people.

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

RALPH WENDEL P. TULFO
Representative
2nd District of Quezon City

JOCELYN P. TULFO
Representative
ACT-CIS Partylist

[1] "Report: Philippines lags in resilient healthcare", *BUSINESS WORLD*, 21 Oct 2025, https://www.bworldonline.com/infographics/2025/10/21/706806/report-philippines-lags-in-resilient-healthcare/

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

SECTION 1. Section 4 of Republic Act No. 11223, otherwise known as the "Universal Health Care Act", is hereby amended to read as follows:

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

(a) Abuse of authority – xxx;

(b) Amenities – xxx;

(c) *Basic or ward accommodation* – xxx;

(d) *BENEFIT-RISK ASSESSMENT OR EVALUATION REFERS* TO A METHOD OF EVALUATING THE USEFULNESS OF A DRUG FOR A SPECIFIC INDICATION, TAKING INTO ACCOUNT THE BENEFITS AND RISKS ASSOCIATED WITH THAT DRUG UNDER NORMAL CONDITIONS OF USE;

(e) Co-insurance – xxx;

(f) *Co-payment – xxx;*

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

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

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

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

~~[(h)]~~ (I) *Emergency* – xxx;

~~[(i)]~~ (J) *Entitlement* – xxx;

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

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

[~~(l)~~] (M) *Fraudulent act* – xxx;

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

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

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

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

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

(S) Individual-based health services – xxx;

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

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

[~~(t)~~] (V) *Primary care* – xxx;

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

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

(Y) *REAL-WORLD EVIDENCE* REFERS TO CLINICAL EVIDENCE ON A MEDICAL PRODUCT'S SAFETY AND EFFICACY THAT IS GENERATED USING SEVERAL SOURCES OF DATA, INCLUDING ELECTRONIC HEALTH RECORDS, REGISTRIES, CLAIMS/BILLING DATA, AND PATIENTGENERATED DATA INCLUDING THOSE FROM MOBILE HEALTH APPLICATIONS AND WEARABLE DEVICES; AND

[~~(v)~~] (Z) *Unethical act.* – xxx."

SEC. 2. 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 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%) SIMPLE INTEREST MONTHLY for self-earning, professional practitioners, and migrant workers."

SEC. 3. 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%	P10,000.00	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

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

THE ACTUARIALLY-ADJUSTED PREMIUM RATES, AS DETERMINED BY THE ANNUAL ACTUARIAL REVIEW, SHALL BE SUBJECT TO THE APPROVAL OF CONGRESS, AS AN INTEGRAL PART OF THE BUDGET PROCESS: *PROVIDED*, THAT THE PREMIUM RATE SHALL BE SET AT THREE AND ONE-HALF PERCENT (3.5%), AND THE PREMIUM FLOOR AND PREMIUM CEILING SHALL REMAIN THE SAME UNTIL THE ACTUARIAL REVIEW HAS BEEN SUBMITTED AND APPROVED BY CONGRESS, PRIMARILY FOR BENEFITS EXPANSION AND SOCIAL SOLIDARITY CONSIDERATIONS: *PROVIDED, FURTHER*, THAT UPON

LEGISLATIVE APPROVAL, ADJUSTMENTS TO PREMIUM RATES SHALL BE IMPLEMENTED AT THE COMMENCEMENT OF THE FOLLOWING FISCAL YEAR.

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 EMPLOYERS OF SEAFARERS, THROUGH THE LOCAL MANNING AGENCIES, SHALL CONTINUE TO SHOULDER FIFTY PERCENT (50%) OF THE PREMIUM CONTRIBUTION OF THE SEAFARERS: *PROVIDED, FURTHERMORE*, THAT EMPLOYERS OF LAND-BASED MIGRANT WORKERS SHALL SHOULDER FIFTY PERCENT (50%) OF THE PREMIUM CONTRIBUTION OF SAID MIGRANT WORKERS: *PROVIDED, FURTHERMORE*, THAT UNPAID PREMIUM OF CONTRIBUTIONS OF MIGRANT WORKERS AND OVERSEAS FILIPINOS IN DISTRESS UNDER REPUBLIC ACT NO. 8042, OTHERWISE KNOWN AS THE 'MIGRANT WORKERS AND OVERSEAS FILIPINOS ACT OF 1995', AS AMENDED BY REPUBLIC ACT NO. 10022, SHALL NOT BE COLLECTED UPON THEIR ARRIVAL IN THE COUNTRY: *PROVIDED, FINALLY*, THAT FAILURE TO PAY PHILHEALTH CONTRIBUTIONS SHALL NOT BE A GROUND FOR THE NON-ISSUANCE OF AN OVERSEAS EMPLOYMENT CERTIFICATE OF A MIGRANT WORKER.

FILIPINOS WITH DUAL CITIZENSHIP (FDC), OR THOSE WHO HAVE RETAINED AND RE-ACQUIRED FILIPINO CITIZENSHIP BY VIRTUE OF REPUBLIC ACT NO. 9225, OR THE 'CITIZENSHIP RETENTION AND RE-ACQUISITION ACT OF 2003', MAY ENJOY THE BENEFITS PROVIDED BY THE STATE HEALTH INSURER: *PROVIDED*, THAT FAILURE TO PAY PREMIUMS SHALL NOT PREVENT THE FDC AND

THEIR LEGAL DEPENDENTS FROM ENJOYING ANY PROGRAM BENEFIT.

~~[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* [~~more:~~], That the DOH, in coordination with PhilHealth, may request Congress to appropriate supplemental funding to meet targeted milestones of this Act: *Provided,* [~~finally~~] *FURTHERMORE,* 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: *PROVIDED, FINALLY,* THAT ANY UNUSED PORTION OF THE PREMIUM SUBSIDY OF INDIRECT CONTRIBUTORS SHALL BE USED EXCLUSIVELY FOR AN INCREASE IN BENEFITS OR DECREASE IN FORTHCOMING PREMIUM SUBSIDIES, THE PROVISIONS OF EXISTING LAWS TO THE CONTRARY NOTWITHSTANDING."

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

"SEC. 11. *Program Reserve Funds.* - PhilHealth shall set aside a portion of its accumulated revenues AS MENTIONED IN SECTION 37 OF THIS ACT AND ANY OTHER INCOME FROM ANY SOURCE not needed to meet the cost of the current year's expenditures as reserve funds: *Provided,* That the total amount of reserves shall not exceed a ceiling equivalent to the amount actuarially estimated for two (2) years' projected Program expenditures: *Provided, further,* That whenever actual reserves exceed the required ceiling at the end of the fiscal year, the excess of the PhilHealth reserve fund shall be used to increase the Program's benefits and to

decrease the [~~amount of members' contributions~~] PREMIUM CONTRIBUTION RATES OF MEMBERS: *PROVIDED, FINALLY,* THAT THE DOH AND PHILHEALTH SHALL INCLUDEA MECHANISM FOR LOWERING PREMIUM CONTRIBUTION IN THE IMPLEMENTING RULES AND REGULATIONS OF THIS ACT.

xxx

(a) xxx

(b) xxx

(c) xxx

(d) xxx

(e) xxx

(f) In bonds, securities, promissory notes, or other evidences of indebtedness of accredited and financially sound [medical] GOVERNMENT FINANCIAL institutions exclusively to finance the construction, improvement and maintenance of hospitals and other medical facilities, INCLUDING PURCHASE AND MAINTENANCE OF CLINICAL EQUIPMENT AND DEVICES: *Provided,* That such securities and instruments shall be guaranteed by the Republic of the Philippines or the issuing [medical] GOVERNMENT FINANCIAL 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

(g) In debt instruments and other securities traded in the secondary markets with the same intrinsic quality as those enumerated in paragraphs (a) to (e) hereof, subject to the approval of the PhilHealth Board.

~~[No portion of the reserve fund or income thereof shall accrue to the general fund of the National Government or to any of its agencies or instrumentalities, including government owned or controlled corporations.]~~

As part of its investments operations, PhilHealth may hire institutions with valid trust licenses as its external local fund managers to manage the reserve fund, as it may deem appropriate, through public bidding. The fund manager shall submit an annual report on investment performance to PhilHealth.

xxx

The PhilHealth shall manage the supplemental benefits fund to the minimum required to ensure that the supplemental benefit payments are secure.

NOTWITHSTANDING ANY LAW TO THE CONTRARY, NO PORTION OF THE RESERVE FUND OR ANY FUND OR INCOME OF PHILHEALTH, INCLUDING THE PROVIDENT FUND UNDER SECTION 16 (C) AND THE SPECIAL HEALTH FUND UNDER SECTION 20 OF THIS ACT, SHALL ACCRUE TO THE GENERAL FUND OF THE NATIONAL GOVERNMENT OR TO ANY OF ITS AGENCIES OR INSTRUMENTALITIES, INCLUDING GOVERNMENT-OWNED OR-CONTROLLED CORPORATIONS."

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

"SEC. 12. Administrative Expenses. – [~~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.~~]

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

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

"SEC. 13. *PhilHealth Board of Directors.* –

(a) xxx

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

(c) xxx. "

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

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

(I) MAXIMUM COVERAGE FOR A GIVEN PESO VALUE OF PREMIUM;

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

(III) CONCESSION PERIOD TO ALLOW PROVIDERS TO RECOVER INVESTMENTS."

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

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

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

"SEC. 21. *Income Derived from PhilHealth Payments.* - All income derived from PhilHealth payments shall accrue to the Special Health Fund OF THE PROVINCE-WIDE OR CITY-WIDE HEALTH SYSTEMS AS ESTABLISHED OR MAINTAINED ABOVE: *PROVIDED,* THAT SUCH INCOME SHALL BE APPORTIONED BETWEEN AND AMONG THE VARIOUS SPECIAL HEALTH FUNDS ACCORDING TO A FORMULA TO BE DETERMINED BY THE UHC COORDINATING COUNCIL: *PROVIDED, FURTHER,* THAT ALL SPECIAL HEALTH FUNDS ARE to be allocated by the LGUs exclusively for the improvement of the LGU health system: *Provided,* FURTHERMORE, That PhilHealth payments shall be credited to the annual regular income (ARI) of the LGU THAT OWNS

THE HEALTH CARE INSTITUTION FOR WHICH IT IS DUE: *PROVIDED, FINALLY*, THAT HEALTH FACILITIES OPERATING AS LOCAL ECONOMIC ENTERPRISES (LEE) SHALL BE ALLOWED TO RETAIN THEIR INCOME DERIVED FROM PHILHEALTH AND THAT LGUS MAY CONTINUE TO SUBSIDIZE LEE."

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

"SEC. 30-A. THE UNIVERSAL HEALTH CARE COORDINATING COUNCIL (UHC-CC). - THE UNIVERSAL HEALTH CARE COORDINATING COUNCIL IS HEREBY CREATED AS A NATIONAL GOVERNANCE BODY, WHICH SHALL INTENSIFY THE GOVERNMENT'S EFFORTS IN PURSUING THE DEVELOPMENT OF POLICIES, AS WELL AS UNDERTAKING PROGRAMS AND PROJECTS RELATING TO THE UHC. 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 AUHTORITHY (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."

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

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

(a) xxx

(b) xxx

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

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

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

"SEC. 34. *Health Technology Assessment (HTA).* –

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

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

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

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

ALL DRUGS MUST HAVE UNDERGONE PHARMACOVIGILANCE STUDIES SUCH AS BUT NOT LIMITED TO PHASE IV CLINICAL TRIAL OR REAL-WORLD EVIDENCE, AND THERE MUST BE A BENEFIT-RISK ASSESSMENT: *PROVIDED*, THAT FOR THE FOLLOWING HEALTH TECHNOLOGIES WHERE PHASE IV CLINICAL TRIALS MAY NOT BE

CONSISTENTLY AVAILABLE, REAL-WORLD EVIDENCE, INCLUDING ALL RELEVANT AND DEPENDABLE SOURCES OF EVIDENCE SHALL BE CONSIDERED:

(i) TRADITIONAL MEDICINE;
(ii) PREVENTIVE AND PROMOTIVE HEALTH;
(iii) MEDICAL AND SURGICAL PROCEDURES;
(iv) CLINICAL EQUIPMENT AND DEVICES; AND
(v) DIGITAL AND OTHER HEALTH TECHNOLOGIES.

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

xxx

(6) *ETHICAL, LEGAL, SOCIAL, AND HEALTH SYSTEMS IMPLICATIONS*. – THE HTAC MUST BE GIVEN THE FLEXIBILITY TO MODIFY ITS EVALUATION FRAMEWORK DURING PUBLIC HEALTH

EMERGENCIES WHEREIN THERE ARE LIMITATIONS IN TERMS OF TYPES OF EVIDENCE AND URGENCY IN PRODUCING RECOMMENDATIONS.

EACH INTERVENTION MAY BE ASSESSED FOR THE FOLLOWING:

(i) ETHICAL CONSIDERATIONS - SITUATIONS WHERE THE USE OR ABSENCE OF THE TECHNOLOGY MAY RUN COUNTER TO THE 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 CONCERING 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.

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(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.

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

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

(e) The HTAC's core committee and subcommittee members shall be appointed by the Secretary of [~~Health~~] SCIENCE AND TECHNOLOGY FOLLOWING ITS TRANSITION FROM DOH

INTO AN ATTACHED AGENCY UNDER DOST for a term of [~~three (3)~~] FOUR (4) years except for the medico-legal expert, ethicist, and the sociologist or anthropologist who shall serve for a term of [~~four (4)~~] FIVE (5) years: *Provided,* That no member shall serve for more than three (3) consecutive terms: *Provided, further,* That the members of the HTAC AND ANY INVITED RESOURCE PERSONS EXCEPT GOVERNMENT REPRESENTATIVES shall receive an honorarium in accordance with existing [~~policies~~] BUDGETARY LAWS, RULES AND REGULATIONS: *Provided, furthermore,* That the DOH shall promulgate the nomination process for all HTAC members with a clear set of qualifications, credentials and recommendations from the sectors concerned [~~: *Provided, finally,* That the Secretary of the DOST shall appoint the members of the HTAC upon its transition into an attached agency under DOST~~]."

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

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

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

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

"SEC. 38. *Penal Provisions.* –

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

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

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

(3) DISQUALIFICATION FROM HOLDING ANY PUBLIC OFFICE FOR A PERIOD OF NOT LESS THAN FIVE (5) YEARS."

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

SEC. 16. *Implementing Rules and Regulations.* – The DOH and the Philhealth, in consultation with the UHC-CC, shall promulgate the necessary rules and regulations for the effective implementation of this Act no later than one hundred eighty (180) days upon the effectivity of this Act."

SEC. 17. *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. 18. *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. 19. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,