

FIFTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



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11 MAY 30 P 6:08

SENATE

COMMITTEE REPORT NO. 40

RECEIVED BY:

Submitted jointly by the Committees on Health and Demography; Finance; Local Government; Labor, Employment & Human Resources Development; Youth, Women & Family Relations; and Banks, Financial Institutions and Currencies **MAY 30 2011**

Re: Senate Bill No. 2849

Recommending its approval in substitution of Senate Bill Nos. 4, 18, 55, 58, 143, 189, 549, 726, 1012, 1222, 1340, 1971, 2126, 2130, 2140, 2653 and 2714

Sponsors : Senators (P.) Cayetano, Drilon, Marcos, Jr., Estrada and Osmena III

**MR. PRESIDENT:**

The Committees on Health and Demography; Finance; Local Government; Labor, Employment & Human Resources Development; Youth, Women & Family Relations; and Banks, Financial Institutions and Currencies, to which were referred, Senate Bill No. 4, introduced by Sen. Legarda, entitled:

**AN ACT  
TO ENSURE THAT INDIGENT FILIPINOS ARE GRANTED WITH BASIC  
HEALTHCARE SERVICES, PROVIDING FOR A UNIVERSAL HEALTHCARE  
COVERAGE AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 7875  
OTHERWISE KNOWN AS THE NATIONAL HEALTH INSURANCE ACT OF 1995 AS  
AMENDED AND FOR OTHER PURPOSES**

Senate Bill No. 18, introduced by Sen. Trillanes IV, Sen. Marcos, Jr. and Sen. (P.) Cayetano, entitled:

**AN ACT  
PROVIDING THAT ALL CITIZENS OF THE PHILIPPINES SHALL  
AUTOMATICALLY BE ENROLLED IN THE NATIONAL HEALTH INSURANCE  
PROGRAM AMENDING FOR THE PURPOSE THE NATIONAL HEALTH  
INSURANCE ACT OF 1995**

Senate Bill No. 55, introduced by Sen. Angara and Sen. Recto entitled:

**AN ACT  
INSTITUTING MECHANISMS FOR THE ESTABLISHMENT OF A CHILDREN'S  
HEALTH INSURANCE PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC  
ACT NO. 7875, OTHERWISE KNOWN AS THE NATIONAL HEALTH INSURANCE  
ACT OF 1995**

Senate Bill No. 58, introduced by Sen. Zubiri, entitled:

**AN ACT  
TO ENSURE THAT EVERY FILIPINO IS GRANTED WITH BASIC HEALTHCARE  
SERVICES, PROVIDING FOR THE PURPOSE A MANDATORY UNIVERSAL  
HEALTHCARE COVERAGE, AND FOR OTHER PURPOSES**

Senate Bill No. 143, introduced by Sen. (P.) Cayetano, entitled:

**AN ACT  
GRANTING COMPULSORY COVERAGE TO ACCREDITED BARANGAY HEALTH  
WORKERS IN THE NATIONAL HEALTH INSURANCE PROGRAM AND THE  
GOVERNMENT SERVICE INSURANCE SYSTEM, AMENDING FOR THIS PURPOSE  
REPUBLIC ACT NO. 7883 AND FOR OTHER PURPOSES**

Senate Bill No. 189, introduced by Sen. Trillanes IV, entitled:

**AN ACT  
REQUIRING THE PHILIPPINE HEALTH INSURANCE CORPORATION TO  
PROVIDE COVERAGE FOR THE DIAGNOSTIC SERVICES FOR BREAST AND  
CERVICAL CANCER, PROVIDING FUNDS THEREFOR, AND FOR OTHER  
PURPOSES**

Senate Bill No. 549, introduced by Sen. Estrada, entitled:

**AN ACT  
TO ENSURE THAT EVERY FILIPINO IS GRANTED WITH BASIC HEALTHCARE  
SERVICES, PROVIDING FOR THE PURPOSE A MANDATORY UNIVERSAL  
HEALTHCARE COVERAGE, AND FOR OTHER PURPOSES**

Senate Bill No. 726, introduced by Sen. Estrada, entitled:

**AN ACT  
TO ENSURE THAT EVERY FILIPINO IS GRANTED WITH BASIC HEALTHCARE  
SERVICES, PROVIDING FOR THE PURPOSE A MANDATORY UNIVERSAL  
HEALTHCARE COVERAGE, AND FOR OTHER PURPOSES**

Senate Bill No. 1012, introduced by Sen. Lapid, entitled:

**AN ACT  
REQUIRING THE MANDATORY COVERAGE OF ALL PUBLIC UTILITY DRIVERS  
IN THE NATIONAL HEALTH INSURANCE PROGRAM (NHIP) UNDER THE  
PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH)**

Senate Bill No. 1222, introduced by Sen. Villar and Sen. Escudero, entitled:

**AN ACT  
REQUIRING THE MANDATORY COVERAGE OF ALL HOUSEHELPERS IN THE  
NATIONAL HEALTH INSURANCE PROGRAM (NHIP) UNDER THE PHILIPPINE  
HEALTH INSURANCE CORPORATION (PHILHEALTH)**

Senate Bill No. 1340, introduced by Sen. Legarda, entitled:

**AN ACT  
GRANTING COMPULSORY COVERAGE TO ACCREDITED BARANGAY HEALTH  
WORKERS IN THE NATIONAL HEALTH INSURANCE PROGRAM, AMENDING  
FOR THE PURPOSE REPUBLIC ACT NO. 7883, AND FOR OTHER PURPOSES**

Senate Bill No. 1971, introduced by Sen. Revilla, Jr., entitled:

**AN ACT  
UPGRADING THE BENEFITS AND INCENTIVES TO ACCREDITED BARANGAY  
HEALTH WORKERS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7883  
AND FOR OTHER PURPOSES**

Senate Bill No. 2126, introduced by Sen. Legarda, entitled:

**AN ACT  
INSTITUTING MECHANISMS FOR THE ESTABLISHMENT OF A CHILDREN'S  
HEALTH INSURANCE PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC**

**ACT NO. 7875, OTHERWISE KNOWN AS "THE NATIONAL HEALTH INSURANCE ACT OF 1995," AS AMENDED, AND FOR OTHER PURPOSES**

Senate Bill No. 2130, introduced by Sen. Recto, entitled:

**AN ACT  
PROMOTING THE TREATMENT AND ERADICATION OF TUBERCULOSIS,  
AMENDING FOR THE PURPOSE SECTION 12 OF REPUBLIC ACT NO. 7875, AS  
AMENDED, OTHERWISE KNOWN AS "AN ACT INSTITUTING A NATIONAL  
HEALTH INSURANCE PROGRAM FOR ALL FILIPINOS AND ESTABLISHING THE  
PHILIPPINE HEALTH INSURANCE CORPORATION FOR THE PURPOSE"**

Senate Bill No. 2140, introduced by Sen. Recto, entitled:

**AN ACT  
REMOVING FIFTH AND SUBSEQUENT NORMAL OBSTETRICAL DELIVERIES  
AMONG THE EXCLUDED PERSONAL HEALTH SERVICES UNDER THE  
NATIONAL HEALTH INSURANCE PROGRAM, AMENDING FOR THE PURPOSE  
SECTION 2 OF REPUBLIC ACT NO. 9241**

Senate Bill No. 2653, introduced by Sen. Recto, entitled:

**AN ACT  
EARMARKING FIFTY PERCENT (50%) OF PHILHEALTH'S EXCESS RESERVE  
FUNDS TO FUND PUBLIC HEALTHCARE INFRASTRUCTURE DEFICIT,  
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7875, OTHERWISE KNOWN  
AS 'AN ACT INSTITUTING A NATIONAL HEALTH INSURANCE PROGRAM FOR  
ALL FILIPINOS AND ESTABLISHING THE PHILIPPINE HEALTH INSURANCE  
CORPORATION**

and Senate Bill No. 2714, introduced by Sen. Recto, entitled:

**AN ACT  
PROVIDING A DEFINITE TARGETING STRATEGY IN IDENTIFYING THE POOR,  
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7875, OTHERWISE KNOWN  
AS 'THE NATIONAL HEALTH INSURANCE ACT OF 1995', AS AMENDED, AND  
FOR OTHER PURPOSES**

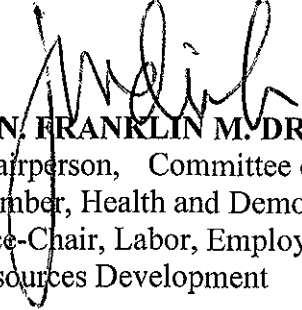
have considered the same and have the honor to report them back to the Senate with the recommendation that the attached bill, Senate Bill No. 2849, prepared by the Committees, entitled:

**AN ACT  
AMENDING REPUBLIC ACT NO. 7875, OTHERWISE KNOWN AS THE  
NATIONAL HEALTH INSURANCE ACT OF 1995, AS AMENDED, AND FOR OTHER  
PURPOSES**


be approved in substitution of Senate Bill Nos. 4, 18, 55, 58, 143, 189, 549, 726, 1012, 1222, 1340, 1971, 2126, 2130, 2140, 2653 and 2714 with Senators Legarda, Trillanes IV, Marcos, Jr., (P). Cayetano, Angara, Recto, Zubiri, Estrada, Lapid, Villar, Escudero, Revilla, Jr., Drilon, and Osmena III as authors thereof.

Respectfully Submitted:

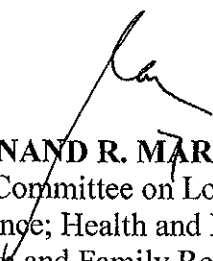
*Chairpersons*



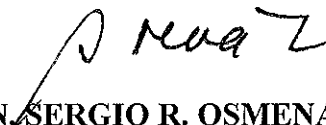
**SEN. FRANKLIN M. DRILON**  
Chairperson, Committee on Finance  
Member, Health and Demography  
Vice-Chair, Labor, Employment and Human  
Resources Development



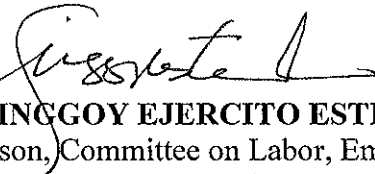
**SEN. PIA S. CAYETANO**  
Chairperson, Committees on Health  
and Demography; Youth, Women  
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Labor, Employment and Human  
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**SEN. FERDINAND R. MARCOS JR.**  
Chairperson, Committee on Local Government  
Member, Finance; Health and Demography;  
Youth, Women and Family Relations;  
Labor, Employment and Human Resources  
Development




**SEN. SERGIO R. OSMENA III**  
Chairperson, Committee on Banks,  
Financial Institutions and Currencies  
Member, Finance




**SEN. JINGGOY EJERCITO ESTRADA**  
Chairperson, Committee on Labor, Employment  
and Human Resources Development

*Vice-Chairpersons*

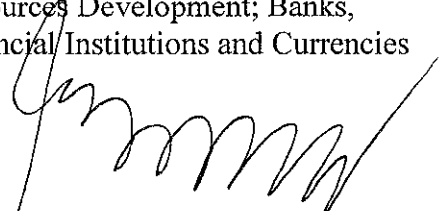


**SEN. EDGARDO J. ANGARA**  
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Member, Youth, Women and  
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**SEN. LOREN B. LEGARDA**  
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Employment and Human  
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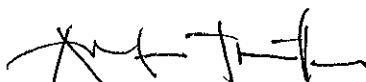
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 Vice-Chair, Health and Demography; Banks,  
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 Member, Finance; Labor, Employment and  
 Human Resources Development

*Members*

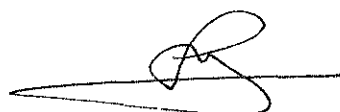


**SEN. JUAN MIGUEL F. ZUBIRI**  
 Health and Demography; Finance;  
 Youth, Women and Family Relations;  
 Labor, Employment and Human  
 Resources Development; Local  
 Government

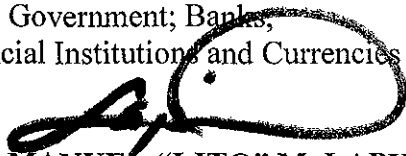
**SEN. RAMON "BONG" REVILLA, JR.**  
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 Labor, Employment and Human Resources  
 Development; Local Government; Banks,  
 Financial Institutions and Currencies



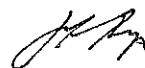
**SEN. ANTONIO F. TRILLANES IV**  
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 Youth, Women and Family Relations;  
 Local Government; Banks,  
 Financial Institutions and Currencies



**SEN. FRANCIS G. ESCUDERO**  
 Finance; Local Government; Banks,  
 Financial Institutions and Currencies



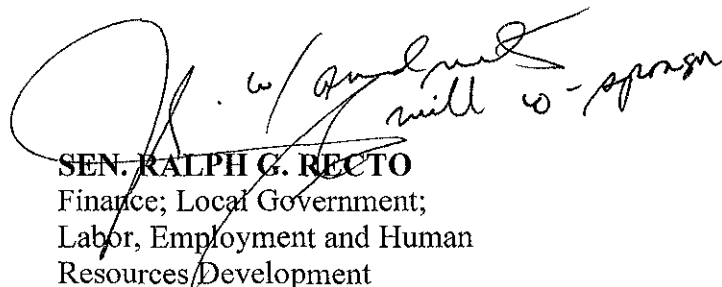
**SEN. MANUEL "LITO" M. LAPID**  
 Youth, Women and Family Relations;  
 Finance; Local Government; Labor,  
 Employment and Human Resources  
 Development



**SEN. JOKER P. ARROYO**  
 Finance; Local Government; Banks,  
 Financial Institutions and Currencies



**SEN. FRANCIS N. PANGILINAN**  
 Finance; Labor, Employment and  
 Human Resources Development;  
 Banks, Financial Institutions and Currencies



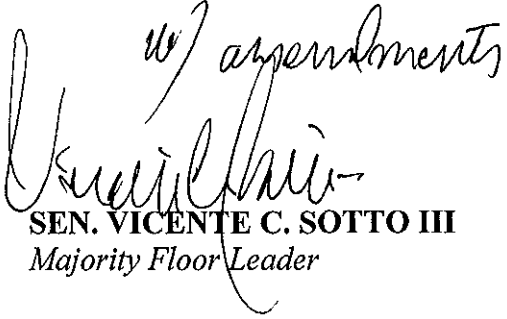
**SEN. RALPH G. RECTO**  
 Finance; Local Government;  
 Labor, Employment and Human  
 Resources Development

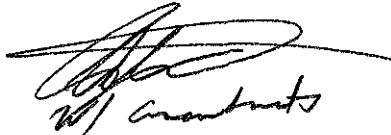


**SEN. MIRIAM DEFENSOR SANTIAGO**  
 Finance

*05/30/11*  
**SEN. PANFILO M. LACSON**  
 Finance; Local Government;  
 Health and Demography

*Ex-Officio Members*

*w/ amendments*  
  
**SEN. VICENTE C. SOTTO III**  
*Majority Floor Leader*


  
*w/ amendments*  
**SEN. ALAN PETER S. CAYETANO**  
*Minority Floor Leader*

**SEN. JINGGOY EJERCITO ESTRADA**  
*President Pro-Tempore*

**HON. JUAN PONCE ENRILE**  
Senate President

'11 MAY 30 P6:09

SENATE  
S. B. No. 2849

RECEIVED BY: 

(In substitution of Senate Bill Nos. 4, 18, 55, 58, 143, 189, 549, 726, 1012, 1222, 1340, 1971, 2126, 2130, 2140, 2653 and 2714)

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Prepared Jointly by the Committees on Health and Demography; Finance; Local Government; Labor, Employment & Human Resources Development; Youth, Women & Family Relations; and Banks, Financial Institutions and Currencies

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AN ACT  
AMENDING REPUBLIC ACT NO. 7875, OTHERWISE KNOWN AS THE NATIONAL HEALTH INSURANCE ACT OF 1995, AS AMENDED, AND FOR OTHER PURPOSES

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

1       **SECTION 1.** Section 2, Article I of Republic Act No. 7875, is hereby amended to  
2 read as follows:

3               “SECTION 2. *Declaration of Principles and Policies.* – Section II, Article  
4 XIII of the 1987 Constitution XXX

5       XXX

6       q) *Cost Containment* – The Program shall incorporate features of cost  
7 containment in its design and operations and provide a viable means of helping  
8 the people pay for health care services **AS WELL AS LESSEN THEIR OUT OF**  
9 **POCKET EXPENDITURES TO LESS THAN 20% BY YEAR 2020;** and”

10       XXX

11       **SEC. 2.** Section 4 of the same Act is hereby further amended by adding the  
12 following definitions accordingly.

13               “SECTION 4. *Definition of Terms.* – For the purpose of this Act, the  
14 following terms shall be defined as follows:

15       XXX

16       l) *Fee-for-service* – [A reasonable and equitable health care payment system  
17 under which physicians and other] **A FEE PRE-DETERMINED BY THE**  
18 **CORPORATION FOR EACH SERVICE DELIVERED BY A** health care  
19 **provider[s] BASED ON [receive a payment that does not exceed] the[ir] bill[ed**  
20 **charge for each unit of service provided] SUBMITTED TO THE CORPORATION**  
21 **FOR THE COSTS OF DELIVERING THE SERVICE.**

22       XXX

1 q) *Indigent* – A person who has no visible means of income, or whose income is  
2 insufficient for the subsistence of his family, as identified by [the Local Health  
3 Insurance Office and based on specific criteria set by the Corporation] **A MEANS  
4 TEST DETERMINED BY THE NATIONAL GOVERNMENT** in accordance with  
5 the guiding principles set forth in Article I of this Act.

6 XXX

7 s) [*Member*] **ENROLLEE** – Any person whose premiums have been regularly  
8 paid to the National Health Insurance Program. [He may be a paying member,  
9 an indigent member, or a pensioner/retiree member.] **HE MAY BELONG TO  
10 THE FORMAL OR INFORMAL SECTOR, OR IS A PRACTICING  
11 PROFESSIONAL, SELF-EARNING INDIVIDUAL, INDIGENT, AN  
12 ABANDONED CHILD, OR PENSIONER / RETIREE.**

13 XXX

14 **MM) ABANDONED CHILDREN** – CHILDREN WHO HAVE NO KNOWN  
15 FAMILY WILLING AND CAPABLE TO TAKE CARE OF THEM AND ARE  
16 UNDER THE CARE OF THE DEPARTMENT OF SOCIAL WELFARE AND  
17 DEVELOPMENT (DSWD).

18 **NN) CASE-BASED PAYMENT** – HOSPITAL PAYMENT METHOD THAT  
19 REIMBURSES TO HOSPITALS A PRE-DETERMINED FIXED RATE FOR  
20 EACH TREATED CASE OR DISEASE; ALSO CALLED PER CASE PAYMENT.

21 **OO) ESSENTIAL HEALTH PACKAGES** – A VARIETY OF HEALTH CARE  
22 PACKAGES CONSISTING OF PROMOTIVE, PREVENTIVE, DIAGNOSTIC,  
23 CURATIVE, AND REHABILITATIVE SERVICES THAT RESPOND TO THE  
24 NEEDS OF THE COMMUNITY, ESPECIALLY THE POOR AND  
25 MARGINALIZED.

26 **PP) HEALTH TECHNOLOGY ASSESSMENT** – A FIELD OF SCIENCE THAT  
27 INVESTIGATES THE VALUE OF A HEALTH TECHNOLOGY SUCH AS  
28 PROCEDURE, PROCESS, PRODUCTS, OR DEVICES, SPECIFICALLY ON  
29 THEIR QUALITY, RELATIVE COST-EFFECTIVENESS AND SAFETY. IT  
30 USUALLY INVOLVES THE SCIENCE OF EPIDEMIOLOGY AND ECONOMICS.  
31 IT HAS IMPLICATIONS ON POLICY, DECISION TO ADOPT AND INVEST IN  
32 THESE TECHNOLOGIES, OR IN HEALTH BENEFIT COVERAGE.

33 **QQ) INFORMAL SECTOR** - UNITS ENGAGED IN THE PRODUCTION OF  
34 GOODS AND SERVICES WITH THE PRIMARY OBJECTIVE OF  
35 GENERATING EMPLOYMENT AND INCOME FOR THE PERSONS  
36 CONCERNED. IT CONSISTS OF HOUSEHOLDS, UNINCORPORATED  
37 ENTERPRISES THAT ARE MARKET AND NON-MARKET PRODUCERS OF  
38 GOODS, AS WELL AS MARKET PRODUCERS OF SERVICES.

39 THESE ENTERPRISES ARE OPERATED BY OWN-ACCOUNT  
40 WORKERS, WHICH MAY EMPLOY UNPAID FAMILY WORKERS AS WELL  
41 AS OCCASIONAL, SEASONALLY HIRED WORKERS.

42 TO THIS SECTOR BELONG, AMONG OTHERS, STREET HAWKERS,  
43 MARKET VENDORS, PEDICAB AND TRICYCLE DRIVERS, SMALL  
44 CONSTRUCTION WORKERS AND HOME-BASED INDUSTRIES AND  
45 SERVICES.



1 RR) **OTHER SELF-EARNING INDIVIDUALS** – INDIVIDUALS WHO RENDER  
2 SERVICES OR SELL GOODS AS A MEANS OF LIVELIHOOD OUTSIDE OF  
3 AN EMPLOYER-EMPLOYEE RELATIONSHIP, OR AS A CAREER, BUT DO  
4 NOT BELONG TO THE INFORMAL SECTOR. THESE INCLUDE  
5 BUSINESSMEN, ENTREPRENEURS, ACTORS, ACTRESSES AND OTHER  
6 PERFORMERS, NEWS CORRESPONDENTS, PROFESSIONAL ATHLETES,  
7 COACHES, TRAINERS, AND OTHER INDIVIDUALS THAT THE  
8 CORPORATION DEEM PART OF THIS GROUP.

9 SS) **OUT-PATIENT SERVICES** – HEALTH SERVICES SUCH AS DIAGNOSTIC  
10 CONSULTATION, EXAMINATION, TREATMENT, SURGERY AND  
11 REHABILITATION ON AN OUT-PATIENT BASIS.

12 TT) **PER CAPITA PAYMENT**- A PRE-DETERMINED FIXED RATE PAID TO A  
13 HEALTH CARE PROVIDER TO PROVIDE A DEFINED SET OF SERVICES IN  
14 THE COMMUNITY FOR A FIXED PERIOD OF TIME FOR EACH INDIVIDUAL  
15 ENROLLED IN THE PROGRAM.

16 UU) **PROFESSIONAL PRACTITIONERS** – INCLUDE DOCTORS, LAWYERS,  
17 CERTIFIED PUBLIC ACCOUNTANTS, AND OTHER PRACTITIONERS  
18 REQUIRED TO PASS GOVERNMENT LICENSURE EXAMINATION IN ORDER  
19 TO PRACTICE THEIR PROFESSIONS.”

20 **SEC. 3.** Section 6 of the same Act is hereby further amended to read as follows:

21 “SEC. 6. *Coverage.* – All citizens of the Philippines shall be  
22 covered by the National Health Insurance Program. In accordance with  
23 the principles of universality and compulsory coverage enunciated in  
24 Section 2 (b) and 2 (l) hereof, implementation of the Program shall  
25 [furthermore, be gradual and phased in over a period of not more than  
26 fifteen (15) years] **ENSURE SUSTAINABILITY OF COVERAGE AND**  
27 **CONTINUOUS ENHANCEMENT OF THE QUALITY OF SERVICE;**  
28 *Provided,* That the [Program shall not be made compulsory in certain  
29 provinces and cities until the] Corporation, **DEPARTMENT OF HEALTH**  
30 **(DOH), LOCAL GOVERNMENT UNITS (LGUs), and OTHER AGENCIES**  
31 **INCLUDING NON-GOVERNMENTAL ORGANIZATIONS (NGOs) AND**  
32 **OTHER NATIONAL GOVERNMENT AGENCIES (NGAs)** shall [be able  
33 to] ensure that [members in such localities shall] **THE ENROLLEES** have  
34 [reasonable] access to [adequate and acceptable] **QUALITY AND COST-**  
35 **EFFECTIVE** health care services.”

36 **SEC. 4.** Section 7 of the same Act is hereby deleted.

37 **SEC. 5.** Section 8 of the same Act is hereby further amended to read as follows:

38 “SEC. 8. *Health Insurance ID Card* - In conjunction with the enrollment  
39 provided above, the Corporation through its local office shall issue a health  
40 insurance ID which shall be used for purposes of identification, eligibility  
41 verification, and utilization recording. The issuance of this ID card shall be  
42 accompanied by a clear explanation to the enrollee of his rights, privileges and  
43 obligations as [a member] **AN ENROLLEE.** A list of health care providers  
44 accredited by the Local Health Insurance Office shall likewise be attached  
45 thereto.

46 **THIS HEALTH INSURANCE ID CARD SHALL BE RECOGNIZED AS A**  
47 **VALID GOVERNMENT IDENTIFICATION AND SHALL BE PRESENTED AND**

1 HONORED IN TRANSACTIONS REQUIRING THE VERIFICATION OF A  
2 PERSON'S IDENTITY."

3 SEC. 6. Section 10 of the same Act is hereby further amended to read as  
4 follows:

5 "SEC. 10. *Benefit Package.* – NO FILIPINO CITIZEN SHALL BE DENIED  
6 BASIC HEALTH CARE SERVICES BY BOTH THE NATIONAL AND LOCAL  
7 GOVERNMENTS, SUCH AS, BUT NOT LIMITED TO:

- 8 1) BASIC IMMUNIZATION FOR INFANTS AND CHILDREN;
- 9 2) PRE-NATAL CARE WHICH INCLUDES PROVISION OF VITAMINS,  
10 TETANUS IMMUNIZATION, ORAL CARE, URINALYSIS AND  
11 HEMOGLOBIN DETERMINATION;
- 12 3) POST-NATAL CARE;
- 13 4) VITAMIN A SUPPLEMENTATION FOR CHILDREN NINE (9)  
14 MONTHS TO FIVE (5) YEARS OLD;
- 15 5) FAMILY PLANNING COUNSELING, INCLUDING PAP SMEARING;
- 16 6) MEDICAL CONSULTATIONS;
- 17 7) INFECTIOUS DISEASE CONTROL AND PREVENTION CONTROL  
18 PROGRAM SUCH AS BUT NOT LIMITED TO TUBERCULOSIS,  
19 MALARIA, SEXUALLY TRANSMITTED INFECTION, DENGUE;
- 20 8) HEALTH EDUCATION PROGRAM FOR MOTHERS, STUDENTS  
21 AND OTHER TARGET GROUPS;
- 22 9) DENTAL SERVICES;
- 23 10)HEALTHY LIFESTYLE COUNSELING;
- 24 11)NUTRITION INCLUDING OPERATION TIMBANG ACTIVITIES,  
25 INTERVENTION FOR IDENTIFIED MALNOURISHED CHILDREN,  
26 AND MOTHERS' CLASSES; AND
- 27 12)SANITATION PROGRAM SUCH AS WATER ANALYSIS AND  
28 TREATMENT.

29 THE CORPORATION SHALL DEVELOP A MECHANISM WHEREBY  
30 NON-ENROLLEES ARE TO BE ENROLLED IMMEDIATELY.

31 NO WOMAN WHO IS ABOUT TO GIVE BIRTH SHALL BE DENIED  
32 MATERNAL AND NEWBORN BENEFITS ON THE GROUNDS THAT SHE IS  
33 NOT ENROLLED OR HAS NOT PAID THE MINIMUM REQUIREMENT OF  
34 PREMIUM CONTRIBUTIONS; *PROVIDED*, THAT THEREAFTER, SHE SHALL  
35 BE ENROLLED IN THE PROGRAM AND CONTINUE TO PAY HER MONTHLY  
36 PREMIUM CONTRIBUTIONS.

37 ENROLLEES AND THEIR DEPENDENTS ARE ENTITLED TO THE  
38 FOLLOWING:

1 (1) ESSENTIAL HEALTH PACKAGES AND OTHER OUT-PATIENT SERVICES IN  
2 THE COMMUNITY. WITHIN ONE (1) YEAR AFTER THE EFFECTIVITY OF  
3 THIS ACT, THE CORPORATION AND THE DOH SHALL IDENTIFY THE  
4 VARIOUS ESSENTIAL HEALTH PACKAGES WHICH SHALL BE SUBJECT  
5 TO BENCHMARKING AGAINST INTERNATIONAL HEALTH STANDARDS  
6 TAKING INTO CONSIDERATION DISEASE EPIDEMIOLOGY AND HEALTH  
7 ECONOMICS.

8 (2) HEALTH CARE SERVICES IN A HEALTH CARE FACILITY.

9 ENROLLEES AND THEIR DEPENDENTS ARE ENTITLED TO THE  
10 FOLLOWING MINIMUM SERVICES, [S]subject to the limitations specified in this Act  
11 and as may be determined by the Corporation [,the following categories of personal  
12 health services granted to the member or his dependent as medically necessary or  
13 appropriate shall include] **AND THE DOH:**

14 a) Inpatient hospital care:

- 15 1) room and board;
- 16 2) services of health care professionals
- 17 3) diagnostic, laboratory, and other medical examination services;
- 18 4) use of surgical or medical equipment and facilities;
- 19 5) prescription drugs and biologicals, subject to the limitations stated in  
20 Section 37 of this Act;
- 21 6) inpatient education packages;

22 b) Outpatient care:

- 23 1) services of health care professionals;
- 24 2) diagnostic, laboratory, and other medical examination services;
- 25 3) personal preventive services; and
- 26 4) prescription drugs and biologicals, subject to the limitations described  
27 in Section 37 of this Act;

28 c) Emergency and transfer services; and

29 d) Such other health care services that the Corporation **AND THE DOH** shall  
30 determine to be appropriate and cost-effective. [*Provided*, That the  
31 Program, during its initial phase of implementation, which shall not be more  
32 than five (5) years, shall provide a basic minimum package of benefits which  
33 shall be defined according to the following guidelines;

- 34 1) the cost providing said package is such that the available national and  
35 local government subsidies for premium payments of indigents are  
36 sufficient to extend coverage to the widest possible population.
- 37 2) the initial set of services shall not be less than half of those provided  
38 under the current Medicare Program I in terms of overall average cost  
39 of claims paid per beneficiary household per year.
- 40 3) the services included are prioritized, first according to its cost  
41 effectiveness and, second, according to its potential of providing  
42 maximum relief from the financial burden on the beneficiary: *Provided*,  
43 That in addition to the basic minimum package , the Program shall  
44 provide supplemental health benefit coverage to beneficiaries of  
45 contributory funds: *Provided further*, That the Program shall  
46 progressively expand the basic minimum benefit package as the

1 proportion of the population covered reaches targeted milestones so  
2 that the same benefits are extended to all members of the Program  
3 within five (5) years after the implementation of this Act. Such  
4 expansion will provide for the gradual incorporations of supplementary  
5 health benefits previously extended only to some beneficiaries into the  
6 basic minimum package extended to all beneficiaries: and *Provided,*  
7 *finally,* that in the phased implementation of this Act, there should be  
8 no reduction or interruption in the benefits currently enjoyed by present  
9 members of Medicare.]”

10 **THESE SERVICES AND PACKAGES SHALL BE REVIEWED ANNUALLY TO**  
11 **DETERMINE ITS FINANCIAL SUSTAINABILITY AND RELEVANCE TO HEALTH**  
12 **INNOVATIONS, WITH THE END IN VIEW OF QUALITY ASSURANCE, INCREASED**  
13 **BENEFITS AND REDUCED OUT-OF-POCKET EXPENDITURE.**

14 **SEC. 7.** Section 11 of the same Act, is hereby amended to read as follows:

15 “Sec. 11. *Excluded Personal Health Services.* – [The benefits granted  
16 under this Act shall not cover expenses for the services enumerated hereunder  
17 except when the Corporation, after actuarial studies, recommends their inclusion  
18 subject to the approval of the Board:

- 19 a) non-prescription drugs and devices;  
20 b) alcohol abuse or dependency treatment;  
21 c) cosmetic surgery;  
22 d) optometric services;  
23 e) *fifth and subsequent normal obstetric deliveries;* and  
24 f) cost-ineffective procedures which shall be defined by the Corporation.

25 *Provided,* That, such actuarial studies must be done within a period of  
26 three (3) years, and then periodically reviewed, to determine the financial  
27 sustainability of including the foregoing personal health services in the benefit  
28 package provided for under Section 10 of this Act.]

29 **THE CORPORATION SHALL NOT COVER EXPENSES FOR HEALTH**  
30 **SERVICES WHICH THE CORPORATION AND THE DOH CONSIDER COST-**  
31 **INEFFECTIVE THROUGH HEALTH TECHNOLOGY ASSESSMENT.”**

32 **SEC. 8.** Section 12 of the same Act is hereby further amended to read as  
33 follows:

34 “SEC. 12. *Entitlement to Benefits.* – [A member] **AN ENROLLEE** whose  
35 premium contributions for at least three (3) months have been paid within six (6)  
36 months prior to the first day of his or his availment, shall be entitled to the  
37 benefits of the Program: *Provided,* That such [member] **ENROLLEE** can show  
38 that he contributes thereto with sufficient regularity, as evidenced in his health  
39 insurance ID card: and *Provided, further,* That he is not currently subject to legal  
40 penalties as provided for in Section 44 of this Act.

41 The following need not pay the monthly contributions to be entitled to the  
42 Program’s benefits:

- 43 a) Retirees and pensioners of the SSS and GSIS prior to the effectivity of this  
44 Act; **AND**  
45 b) **ENROLLEES** [Members] who reach the age of retirement as provided for by  
46 law and have paid at least one hundred twenty (120) contributions.[;and]

1 [c) Enrolled indigents.];”

2 **SEC. 9.** Section 16 of the same Act is hereby further amended to read as  
3 follows:

4 “SEC. 16. *Powers and Functions.* – The Corporation shall have the  
5 following powers and functions:

6 XXX

7 **c) TO SUPERVISE THE PROVISION OF HEALTH BENEFITS AND** to set  
8 standards, rules, and regulations necessary to ensure quality of care, appropriate  
9 utilization of services, fund viability, [member] **ENROLLEE** satisfaction, and  
10 overall accomplishment of Program objectives;

11 XXX

12 j) to negotiate and enter into contracts with health care institutions, professionals,  
13 and other persons, juridical or natural, regarding the pricing, payment  
14 mechanisms, design and implementation of administrative and operating  
15 systems and procedures, financing, and delivery of health services **IN BEHALF**  
16 **OF ITS ENROLLEES;**

17 XXX

18 m) [to supervise the provision of health benefits with the power] to **VISIT,**  
19 **ENTER AND** inspect **FACILITIES OF HEALTH CARE PROVIDERS AND**  
20 **EMPLOYERS DURING OFFICE HOURS, UNLESS THERE IS REASON TO**  
21 **BELIEVE THAT INSPECTION HAS TO BE DONE BEYOND OFFICE HOURS,**  
22 **AND WHERE APPLICABLE, SECURE COPIES OF THEIR** medical, [and]  
23 financial, **AND OTHER** records **AND DATA** [of health care providers and  
24 patients] **PERTINENT TO THE CLAIMS, ACCREDITATION, PREMIUM**  
25 **CONTRIBUTION, AND THAT OF THEIR PATIENTS OR EMPLOYEES,** who are  
26 [participants in or members] **ENROLLEES** of the Program [, and the power to  
27 enter and inspect accredited health care institutions, subject to the rules and  
28 regulations to be promulgated by the Corporations];

29 XXX

30 p) to keep records of the operations of the Corporation and investments of the  
31 *National Health Insurance Fund; [and]*

32 **Q) TO MAINTAIN AND SECURE AN ELECTRONIC DATABASE OF ALL ITS**  
33 **ENROLLEES WITHIN ONE (1) YEAR AFTER THE EFFECTIVITY OF THIS**  
34 **ACT;**

35 **R) TO INVEST IN THE ACCELERATION OF THE CORPORATION’S**  
36 **INFORMATION TECHNOLOGY SYSTEMS;**

37 **S) TO CONDUCT AN INFORMATION CAMPAIGN ON THE PRINCIPLES OF**  
38 **THE NATIONAL HEALTH INSURANCE PROGRAM TO THE PUBLIC AND TO**  
39 **ACCREDITED HEALTH CARE PROVIDERS. THIS CAMPAIGN MUST**  
40 **INCLUDE THE CURRENT BENEFIT PACKAGES PROVIDED BY THE**  
41 **CORPORATION, THE MECHANISMS TO AVAIL OF THE CURRENT BENEFIT**  
42 **PACKAGES, THE LIST OF ACCREDITED AND DISACCREDITED HEALTH**  
43 **CARE PROVIDERS, AND THE LIST OF OFFICES/BRANCES WHERE**

1 ENROLLEES CAN PAY OR CHECK THE STATUS OF PAID HEALTH  
2 PREMIUMS;

3 T) TO CONDUCT POST-AUDIT ON THE QUALITY OF SERVICES RENDERED  
4 BY HEALTH CARE PROVIDERS;

5 U) TO ESTABLISH AN OFFICE, OR WHERE IT IS NOT FEASIBLE,  
6 DESIGNATE A FOCAL PERSON IN EVERY PHILIPPINE CONSULAR OFFICE  
7 IN ALL COUNTRIES WHERE THERE ARE FILIPINO CITIZENS. THE OFFICE  
8 OR THE FOCAL PERSON SHALL, AMONG OTHERS, PROCESS, REVIEW  
9 AND PAY THE CLAIMS OF THE OVERSEAS FILIPINO WORKERS (OFWs);

10 V) NOTWITHSTANDING THE PROVISIONS OF ANY LAW TO THE  
11 CONTRARY, TO IMPOSE INTEREST AND / OR SURCHARGES OF NOT  
12 MORE THAN TWELVE PERCENT (12%) PER ANNUM, AS MAY BE FIXED BY  
13 THE CORPORATION, IN CASE OF ANY DELAY IN THE REMITTANCE OF  
14 CONTRIBUTIONS WHICH ARE DUE WITHIN THE PRESCRIBED PERIOD.  
15 NOTWITHSTANDING THE PROVISIONS OF ANY LAW TO THE CONTRARY,  
16 THE CORPORATION MAY ALSO COMPROMISE, WAIVE OR RELEASE, IN  
17 WHOLE OR IN PART, SUCH INTEREST OR SURCHARGES IMPOSED UPON  
18 EMPLOYERS REGARDLESS OF THE AMOUNT INVOLVED UNDER SUCH  
19 VALID TERMS AND CONDITIONS IT MAY PRESCRIBE; AND

20 W) TO ENDEAVOR TO SUPPORT THE USE OF TECHNOLOGY IN THE  
21 DELIVERY OF HEALTHCARE SERVICES ESPECIALLY IN FAR-FLUNG  
22 AREAS, SUCH AS BUT NOT LIMITED TO TELEMEDICINE, ELECTRONIC  
23 HEALTH RECORD, AND THE ESTABLISHMENT OF A COMPREHENSIVE  
24 HEALTH DATA BASE; AND

25 [q)] X) to perform such other acts as it may deem appropriate for the attainment  
26 of the objectives of the Corporation and for the proper enforcement of the  
27 provisions of this Act.”

28 **SEC. 10.** Section 17 of the same Act, is hereby amended to read as follows:

29 “SEC. 17. *Quasi-Judicial Powers.* – The Corporation, to carry out its tasks  
30 more effectively, shall be vested with the following powers:

31 a) **SUBJECT TO THE RESPONDENT’S RIGHT TO DUE PROCESS**, to  
32 conduct investigations for the determination of a question, controversy,  
33 complaint, or unresolved grievance brought to its attention, and render decisions,  
34 orders, or resolutions thereon. It shall proceed to hear and determine the case  
35 even in the absence of any party who has been properly served with notice to  
36 appear. It shall conduct its proceedings or any part thereof in public or in  
37 executive session; adjourn its hearings to any time and place; refer technical  
38 matters or accounts to an expert and to accept his reports as evidence; direct  
39 parties to be joined in or excluded from the proceedings; and give all such  
40 directions as it may deem necessary or expedient in the determination of the  
41 dispute before it;

42 XXX

43 c) **SUBJECT TO THE RESPONDENT’S RIGHT TO DUE PROCESS**, to  
44 suspend temporarily, revoke permanently, or restore the accreditation of a health  
45 care provider or the right to benefits of [a member] **AN ENROLLEE** and/or  
46 impose fines [after due notice and hearing]. The decision shall immediately be  
47 executory, even pending appeal, when the public interest so requires and as may

1 be provided for in the implementing rules and regulations. Suspension of  
2 accreditation shall not exceed [twenty-four (24)] **SIX** months. Suspension of the  
3 rights of [members] **ENROLLEES** shall not exceed six (6) months.

4 The revocation of a health care provider's accreditation shall operate to  
5 disqualify him from obtaining another accreditation in his own name, under a  
6 different name, or through another person, whether natural or juridical.

7 The Corporation shall not be bound by the technical rules of evidence."

8 **SEC. 11.** Section 18 of the same Act, is hereby amended to read as follows:

9 "Sec. 18. *The Board of Directors.* –

10 a) Composition – The Corporation shall be governed by a Board of  
11 Directors hereinafter referred to as the Board, composed of the following  
12 members:

13 The Secretary of Health;

14 The Secretary of Labor and Employment or his representative;

15 The Secretary of Interior and Local Government or his Representative;

16 The Secretary of Social Welfare and Development or his Representative;

17 The President of the Corporation;

18 The SSS Administrator or his representative;

19 The GSIS General Manager or his representative;

20 The Vice Chairperson for the basic sector of the National Anti-Poverty  
21 Commission or his representative;

22 **THE CHAIRPERSON OF THE CIVIL SERVICE COMMISSION OR HIS**  
23 **REPRESENTATIVE;**

24 A representative of [Filipino overseas workers] **THE OVERSEAS**  
25 **WORKERS WELFARE ADMINISTRATION (OWWA) OR HIS**  
26 **REPRESENTATIVE;**

27 [A representative of the self-employed sector; and]

28 A representative of the [labor] **FORMAL** sector;

29 A representative of employers;

30 A representative of health care providers to be endorsed by their national  
31 associations of health care institutions and medical health professionals;  
32 **AND**

33 **A REPRESENTATIVE OF THE LOCAL CHIEF EXECUTIVES TO BE**  
34 **ENDORSED BY THEIR NATIONAL ASSOCIATIONS.**

35 The Secretary of Health shall be the *ex-officio* Chairperson while the  
36 President of the Corporation shall be the Vice Chairperson of the Board.

1 AFTER THEIR APPOINTMENT, MEMBERS OF THE BOARD ARE  
2 MANDATED TO UNDERGO AN EXHAUSTIVE BACKGROUND COURSE ON  
3 INTEGRATION OF PUBLIC HEALTH AND CLINICAL MEDICINE, INCLUDING  
4 HEALTH SERVICE DELIVERY; HEALTH GOVERNANCE, INCLUDING  
5 UNDERSTANDING CENTRAL AND DEVOLVED HEALTH CARE SYSTEM;  
6 HEALTH REGULATION AND TECHNOLOGY ASSESSMENT; HEALTH  
7 INFORMATION TECHNOLOGY AND APPLICATIONS; HEALTH SYSTEMS  
8 FINANCING; AND HUMAN RESOURCES FOR HEALTH, TO BE GIVEN BY A  
9 REPUTABLE INSTITUTION.

10 BOARD MEMBERS ARE ALSO MANDATED TO ATTEND A  
11 COMPREHENSIVE COURSE ON TRANSPARENCY AND ACCOUNTABILITY  
12 OF A CORPORATE DIRECTOR.

13 THE FAILURE OF THE MEMBERS OF THE BOARD TO UNDERGO  
14 THESE COURSES WILL BE A GROUND TO TERMINATE THEIR  
15 MEMBERSHIP THEREIN.”

16 XXX

17 **SEC. 12.** Section 20 of the same Act, is hereby further amended to read as  
18 follows:

19 “SEC. 20. *Health Finance Policy Research.* – Among the staff XXX

20 XXX

21 f) submission for consideration of program of quality assurance, utilization  
22 review, and technology assessment; [and]

23 g) submission of recommendations on policy and operational issues that will help  
24 the Corporation meet the objectives of this Act; **AND**

25 **H) CONDUCT OF CLIENT-SATISFACTION SURVEYS AND RESEARCH IN**  
26 **ORDER TO ASSESS OUTCOMES OF SERVICE RENDERED BY HEALTH**  
27 **CARE PROVIDERS.”**

28 **SEC. 13.** Section 24 of the same Act, is hereby further amended to read as  
29 follows:

30 “SEC. 24. *Creation of the National Health Insurance Fund* – There is  
31 hereby created a National Health Insurance Fund, hereinafter referred to as the  
32 Fund, that shall consist of:

33 a) Contribution from Program [members] **ENROLLEES**;

34 [b) Current balances of the Health Insurance Funds of the SSS and GSIS  
35 collected under the Philippine Medical Care Act of 1969, as amended, including  
36 arrearages of the Government of the Philippines with the GSIS for the said  
37 Fund;]

38 [c] **B)** Other appropriations earmarked by the national and local governments  
39 purposely for the implementation of the Program;

40  
41 [d] **C)** Subsequent appropriations provided for under Sections 46 and 47 of this  
42 Act;



1 [e] D) Donations and grants-in-aid; and

2 [f] E) All accruals thereof.”

3 **SEC. 14.** Section 26 of the same Act, is hereby further amended to read as  
4 follows:

5 “SEC. 26. *Financial Management.* - The use, disposition, investment,  
6 disbursement, administration and management of the National Health Insurance  
7 Fund, including any subsidy, grant or donation received for program operations  
8 shall be governed by **APPLICABLE LAWS AND IN THE ABSENCE THEREOF,**  
9 **EXISTING** resolutionS of the Board of Directors of the Corporation, subject to the  
10 following limitations:

11 XXX”

12 **SEC. 15.** Section 27 of the same Act, is hereby further amended to read as  
13 follows:

14 “SEC. 27. *Reserve Fund.* – The Corporation shall set aside a portion of its  
15 accumulated revenues not needed to meet the cost of the current year’s  
16 expenditures as reserve funds: *Provided,* That the total amount of reserves shall  
17 not exceed a ceiling equivalent to the amount actuarially estimated for [two  
18 years’] **ONE YEAR’S** projected Program expenditures[:]; *Provided, further,* That  
19 whenever actual reserves exceed the required ceiling at the end of the  
20 Corporation’s fiscal year, the [Program’s benefits] **EXCESS RESERVES** shall be  
21 **UTILIZED FOR PROGRAMS CONSISTENT WITH THE PRINCIPLES STATED**  
22 **IN THIS ACT;** [increased or member-contributions decreased prospectively]  
23 **PROVIDED, FINALLY, THAT INVESTMENTS IN HEALTH**  
24 **INFRASTRUCTURES IN POPULATED AREAS OR AREAS WITHOUT**  
25 **SUFFICIENT HEALTH CARE SHALL BE PRIORITIZED,** in order to adjust  
26 expenditures or revenues to meet the required ceiling for reserve funds. Such  
27 portions of the reserve fund as are not needed to meet the current expenditure  
28 obligations shall be invested in short-term investments to earn an average  
29 annual income at prevailing rates of interest and shall be known as the  
30 “*Investment Reserve Fund*” which shall be invested in any or all of the following:

31 a) In interest-bearing bonds, securities or other evidences of indebtedness of the  
32 Government of the Philippines, or in bonds, securities, promissory notes and  
33 other evidences of indebtedness to which full faith and credit and unconditional  
34 guarantee of the Republic of the Philippines is pledged **OR IN DEBT**  
35 **SECURITIES AND CORPORATE BONDS ISSUANCES: PROVIDED, THAT**  
36 **SUCH SECURITIES AND BONDS ARE RATED TRIPLE “A” BY AUTHORIZED**  
37 **ACCREDITED DOMESTIC RATING AGENCIES; PROVIDED, FURTHER,**  
38 **THAT THE ISSUING OR ASSUMING ENTITY OR ITS PREDECESOR SHALL**  
39 **NOT HAVE DEFAULTED IN THE PAYMENT OF INTEREST ON ANY OF ITS**  
40 **SECURITIES AND THAT DURING EACH OF ANY THREE (3) INCLUDING**  
41 **LAST TWO (2) OF THE FIVE (5) FISCAL YEARS NEXT PRECEDING THE**  
42 **DATE OF ACQUISITION BY THE CORPORATION OF SUCH BONDS,**  
43 **SECURITIES OR OTHER EVIDENCES OF INDEBTEDNESS, THE NET**  
44 **EARNINGS OF THE ISSUING OR ASSUMING INSTITUTION AVAILABLE**  
45 **FOR ITS RECURRING EXPENSES, SUCH AS AMORTIZATION OF DEBT**  
46 **DISCOUNT AND RENTALS FOR LEASED PROPERTIES, INCLUDING**  
47 **INTEREST ON FUNDED AND UNFUNDED DEBT, SHALL HAVE BEEN NOT**  
48 **LESS THAN ONE (1) AND ONE QUARTER TIMES THE TOTAL OF THE**  
49 **RECURRING EXPENSES FOR SUCH YEAR; PROVIDED, FURTHER, THAT**

1       **SUCH INVESTMENT SHALL NOT EXCEED 15% OF THE INVESTMENT**  
2       **RESERVE FUND;**

3       b) XXX; [and]

4       c) In preferred stocks of any solvent corporation or institution created or existing  
5       under the laws of the Philippines: Provided, That the issuing, assuming, or  
6       guaranteeing entity or its predecessor has paid regular dividends upon its  
7       preferred or guaranteed stocks for a period of at least three (3) years  
8       immediately preceding the date of investment in such preferred guaranteed  
9       stocks: Provided, further, That if the corporation or institution has not paid  
10      dividends upon its preferred stocks, the corporation or institution has sufficient  
11      retained earnings to declare dividends for at least two (2) years on such  
12      preferred stocks and in common stocks [option or warrants to common stocks] of  
13      any solvent corporation or institution created or existing under the laws of the  
14      Philippines in the stock exchange with proven track record of profitability and  
15      payment of dividends over the last three (3) years [or in common stocks of a  
16      newly organized corporation about to be listed in the stock exchange: *Provided,*  
17      *finally,* That such duly organized corporation shall have been rated 'A' double  
18      'A's or triple 'A's by authorized accredited domestic rating agencies or by the  
19      Corporation or in mutual funds including allied investments]; **AND**

20      **D) IN BONDS, SECURITIES, PROMISSORY NOTES OR OTHER EVIDENCE**  
21      **OF INDEBTEDNESS OF HEALTH FACILITIES TO FINANCE THE**  
22      **CONSTRUCTION, IMPROVEMENT AND MAINTENANCE OF HEALTH**  
23      **FACILITIES AND THEIR EQUIPMENT; PROVIDED, THAT SUCH**  
24      **INVESTMENTS SHALL NOT EXCEED TEN PERCENT (10%) OF THE**  
25      **INVESTMENT RESERVE FUND."**

26      **SEC. 16.** There is hereby added another provision numbered SECTION 27-A to  
27      read as follows:

28               **SECTION 27-A. FUND MANAGERS - AS PART OF ITS INVESTMENTS**  
29      **OPERATIONS, THE CORPORATION MAY HIRE EXTERNAL LOCAL FUND**  
30      **MANAGERS TO MANAGE THE INVESTMENT RESERVE FUND, AS IT MAY**  
31      **DEEM APPROPRIATE, THROUGH PUBLIC BIDDING.**

32      **SEC. 17.** Section 28 of the same Act, is hereby amended as follows:

33               **"SEC. 28. ENROLLMENT AND Contributions. – ALL CITIZENS SHALL**  
34      **BE ENROLLED IN THE PROGRAM.** All [members of the program]  
35      **ENROLLEES** shall contribute to the Fund, in accordance with a reasonable,  
36      equitable and progressive contribution schedule to be determined by the  
37      Corporation on the basis of applicable actuarial studies and in accordance with  
38      the following guidelines:

39      a) Formal sector employees [and current Medicare members] and their  
40      employers shall **PAY THE MONTHLY PREMIUM CONTRIBUTION IN**  
41      **ACCORDANCE WITH THE CONTRIBUTION SCHEDULE AS DETERMINED**  
42      **BY THE CORPORATION** [continue paying the same monthly contributions as  
43      provided for by law until such time that the Corporation shall have determined the  
44      contribution schedule mentioned herein]: *Provided,* That their monthly  
45      contributions shall not exceed three **AND A HALF** percent [(3%)] **(3.5%)** of their  
46      respective monthly salaries.

47               **THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES**  
48      **HEREBY GUARANTEES THE FULFILLMENT OF THE OBLIGATIONS OF**

1 THE NATIONAL GOVERNMENT AGENCIES TO THE CORPORATION AS,  
2 AND WHEN, THEY FALL DUE.

3 B) CONTRIBUTIONS FROM PROFESSIONAL PRACTITIONERS AND OTHER  
4 SELF-EARNING INDIVIDUALS SHALL BE BASED PRIMARILY ON THEIR  
5 GROSS INCOME AS DECLARED IN THE INCOME TAX RETURN OF THE  
6 PRECEDING YEAR; *PROVIDED*, THAT IN THE ABSENCE OF AN INCOME  
7 TAX RETURN, IT SHALL BE BASED PRIMARILY ON HOUSEHOLD  
8 EARNINGS AND ASSETS. THEY SHALL PAY THE MONTHLY PREMIUM  
9 CONTRIBUTION IN ACCORDANCE WITH THE CONTRIBUTION SCHEDULE  
10 AS DETERMINED BY THE CORPORATION; *PROVIDED*, THAT THOSE  
11 EARNING ONE MILLION PESOS (P1,000,000) TO FIVE MILLION PESOS  
12 (P5,000,000) SHALL PAY DOUBLE THE HIGHEST PREMIUM PAID BY THE  
13 FORMAL SECTOR, THOSE EARNING MORE THAN FIVE MILLION PESOS  
14 (P5,000,000) TO TEN MILLION PESOS (P10,000,000) SHALL PAY TRIPLE  
15 THE SAME AMOUNT, AND THOSE EARNING MORE THAN TEN MILLION  
16 PESOS (P10,000,000) SHALL PAY FOUR TIMES THAT AMOUNT.

17 C) [b] Contributions from [self-employed members] **THE INFORMAL SECTOR**  
18 shall be based **ON THEIR GROSS INCOME AS DECLARED IN THE INCOME**  
19 **TAX RETURN FOR THE PRECEDING YEAR; *PROVIDED*, THAT IN THE**  
20 **ABSENCE OF AN INCOME TAX RETURN, CONTRIBUTIONS SHALL BE**  
21 **BASED** primarily on household earnings and assets; [; their total contributions  
22 for one year shall not, however, exceed three percent (3%) of their estimated  
23 actual net income for the preceding year.] *PROVIDED*, FURTHER, THAT  
24 THOSE FROM THE LOWEST INCOME SEGMENT WHO DO NOT QUALIFY  
25 FOR FULL SUBSIDY UNDER THE MEANS TEST RULES OF THE NATIONAL  
26 GOVERNMENT SHALL BE SUBSIDIZED ENTIRELY BY THE LOCAL  
27 GOVERNMENT UNITS OR THROUGH COST SHARING MECHANISMS  
28 BETWEEN/AMONG LOCAL GOVERNMENT UNITS AND/OR LEGISLATIVE  
29 SPONSORS, AND/OR OTHER SPONSORS AND/OR THE ENROLLEE;  
30 *PROVIDED*, FURTHER, THAT THE ANNUAL PREMIUM CONTRIBUTIONS OF  
31 HOUSEHELPERS SHALL BE FULLY PAID BY THEIR EMPLOYERS;  
32 *PROVIDED*, FINALLY, THAT THE NEEDED PREMIUM CONTRIBUTIONS OF  
33 ALL BARANGAY HEALTH WORKERS, NUTRITION SCHOLARS AND OTHER  
34 BARANGAY WORKERS AND VOLUNTEERS SHALL BE FULLY BORNE BY  
35 THE LOCAL GOVERNMENT UNITS CONCERNED.

36 D) [c] Contributions made in behalf of indigent [members] **ENROLLEES** shall  
37 not exceed the minimum contributions for the employed [members]  
38 **ENROLLEES**.

39 **NOTWITHSTANDING ANY LAW TO THE CONTRARY, ALL**  
40 **GOVERNMENT AGENCIES ISSUING PROFESSIONAL OR BUSINESS**  
41 **LICENSE OR PERMIT, SHALL REQUIRE ALL APPLICANTS TO SUBMIT**  
42 **CERTIFICATE OR PROOF OF PAYMENT OF THEIR PREMIUM**  
43 **CONTRIBUTIONS AND THOSE OF THEIR EMPLOYEES, PRIOR TO THE**  
44 **ISSUANCE OR RENEWAL OF SUCH LICENSE OR PERMIT."**

45 **SEC. 18.** Section 29 of the same Act is hereby amended to read as follows:

46 "SEC. 29. *Payment for Indigent Contributions.* - Contributions for indigent  
47 [members] **ENROLLEES** shall be subsidized [partially by the local government  
48 unit where the member resides] **ENTIRELY BY THE NATIONAL**  
49 **GOVERNMENT.** [The Corporation shall provide counterpart financing equal to  
50 the LGU's subsidy for indigents: *Provided*, That in the case of fourth, fifth and

1 sixth class municipalities, the National Government shall provide up to ninety  
2 percent (90%) of the subsidy for indigents until such time that they have been  
3 upgraded to first, second or third class municipalities. The share of the LGU's  
4 shall be progressively increased until such time that its share becomes equal to  
5 that of the National Government.] **ALLOCATION FOR THE ENROLLMENT OF  
6 THESE INDIGENTS SHALL BE APPROPRIATED IN THE GENERAL  
7 APPROPRIATIONS ACT AS A SEPARATE LINE ITEM IN THE DOH BUDGET  
8 AND ADJUSTED ANNUALLY TO COVER THE CORRESPONDING NUMBER  
9 OF INDIGENTS."**

10 **SEC. 19.** A new Section 29-A, shall be added to read as follows:

11 **SEC. 29-A. PAYMENT FOR ABANDONED CHILDREN. - CONTRIBUTIONS**  
12 **FOR ABANDONED CHILDREN SHALL BE SUBSIDIZED BY THE NATIONAL**  
13 **GOVERNMENT. A SEPARATE LINE ITEM IN THE ANNUAL BUDGET OF THE**  
14 **DSWD SHALL BE ALLOCATED FOR THE PAYMENT OF THEIR PREMIUM**  
15 **CONTRIBUTIONS.**

16 **SEC. 20.** Section 34 of the same Act is hereby amended to read as follows:

17 "SEC. 34. *Provider Payment Mechanisms.* - The following mechanisms for  
18 public and private providers shall be allowed in the Program:

19 a) Fee-for-service **PAYMENTS** [based on mechanisms established by the  
20 Corporation] – **PAYMENTS MADE BY THE CORPORATION FOR**  
21 **PROFESSIONAL FEES OR HOSPITAL CHARGES, OR BOTH, BASED ON**  
22 **ARRANGEMENTS WITH HEALTH CARE PROVIDERS. THIS FEE SHALL BE**  
23 **BASED ON A SCHEDULE TO BE ESTABLISHED BY THE BOARD WHICH**  
24 **SHALL BE REVIEWED PERIODICALLY BUT NOT LESS THAN EVERY**  
25 **THREE (3) YEARS.**

26 [b) Capitation of health care professionals and facilities, or networks of the same  
27 including HMOs, medical cooperatives, and other legally formed health service  
28 groups;]

29 **B) [c) A combination of both; and] CASE-BASED PAYMENT;**

30 **C) PER CAPITA PAYMENT;**

31 d) [Any or all of the above, subject to global budget] **A COMBINATION OF**  
32 **TWO (2) OR MORE OF THE ABOVEMENTIONED BENEFIT PAYMENT**  
33 **SCHEMES; AND**

34 **E) SUCH OTHER PROVIDER PAYMENT MECHANISMS THAT MAY BE**  
35 **DETERMINED AND ADOPTED BY THE CORPORATION.**

36 **THE CORPORATION, IN COORDINATION WITH THE DOH, SHALL**  
37 **STUDY THE VIABILITY OF PROVIDING A CASE-BASED PAYMENT**  
38 **SCHEME FOR HEALTH CARE SERVICES COVERING ALL DISEASES AND**  
39 **ILLNESSES, AND ENDEAVOR TO IMPLEMENT THE SAME WITHIN SIX (6)**  
40 **MONTHS FROM THE EFFECTIVITY OF THIS ACT.**

41 **THE CORPORATION, IN COORDINATION WITH THE LGUs, SHALL**  
42 **LIKELIKE STUDY THE VIABILITY OF IMPLEMENTING A PER CAPITA**  
43 **PAYMENT IN THE COMMUNITY LEVEL AND APPLY THE SAME WITHIN SIX**  
44 **(6) MONTHS FROM THE EFFECTIVITY OF THIS ACT.**

1 [Each Office shall recommend the appropriate payment mechanism within  
2 its jurisdiction for approval by the Corporation. Special consideration shall be  
3 given to payment for services rendered by public and private health care  
4 providers serving remote or medically underserved areas.]

5 FEES PAID FOR PROFESSIONAL SERVICES RENDERED BY  
6 SALARIED PUBLIC PROVIDERS SHALL BE ALLOWED TO BE RETAINED  
7 BY THE HEALTH FACILITY IN WHICH SERVICES ARE RENDERED AND BE  
8 POOLED AND DISTRIBUTED AMONG HEALTH PERSONNEL. CHARGES  
9 PAID TO PUBLIC FACILITIES SHALL BE RETAINED BY THE INDIVIDUAL  
10 FACILITY IN WHICH SERVICES WERE RENDERED AND FOR WHICH  
11 PAYMENT WAS MADE. SUCH REVENUES SHALL BE USED TO PRIMARILY  
12 DEFRAY OPERATING COSTS OTHER THAN SALARIES, TO MAINTAIN OR  
13 UPGRADE EQUIPMENT, PLANT OR FACILITY, AND TO MAINTAIN OR  
14 IMPROVE THE QUALITY OF SERVICE IN THE PUBLIC SECTOR.

15 SEC. 21. Section 35 of the same Act is hereby deleted and replaced with a new  
16 section to read as follows:

17 SEC. 34. REIMBURSEMENT AND PERIOD TO FILE CLAIMS. – ALL  
18 CLAIMS FOR REIMBURSEMENT SHALL BE FILED WITHIN A PERIOD OF  
19 SIXTY (60) CALENDAR DAYS FROM THE DATE OF DISCHARGE OF THE  
20 PATIENT, OTHERWISE, THE CLAIM SHALL BE DENIED; PROVIDED, THAT  
21 SUCH PERIOD MAY BE EXTENDED FOR SUCH CAUSES AS MAY BE  
22 DETERMINED BY THE CORPORATION.”

23 THE CORPORATION SHALL ENSURE THAT HEALTH PROVIDERS  
24 ARE ADEQUATELY COMPENSATED WITHIN SIXTY (60) CALENDAR DAYS  
25 FROM THE DATE THE CLAIM FOR REIMBURSEMENT IS FILED, FAILURE  
26 OF WHICH, ANNUAL INTEREST OR SURCHARGE OF NOT MORE THAN  
27 TWELVE PERCENT (12%) SHALL BE IMPOSED UPON THE CORPORATION.

28 SEC. 22. Section 36 of the same Act is hereby deleted and replaced with a new  
29 section to read as follows:

30 SEC. 35. ROLE OF LOCAL GOVERNMENT UNITS (LGUS) –  
31 CONSISTENT WITH THE MANDATES FOR EACH POLITICAL SUBDIVISION  
32 UNDER REPUBLIC ACT NO. 7160 OR “THE LOCAL GOVERNMENT CODE  
33 OF 1991”, LGUs SHALL PROVIDE BASIC HEALTH CARE SERVICES.

34 TO AUGMENT THEIR FUNDS, LGUs SHALL INVEST THE  
35 CAPITATION PAYMENTS GIVEN TO THEM BY THE CORPORATION ON  
36 HEALTH INFRASTRUCTURES OR EQUIPMENT, PROFESSIONAL FEES,  
37 DRUGS AND SUPPLIES, OR INFORMATION TECHNOLOGY AND  
38 DATABASE; PROVIDED, THAT BASIC HEALTH CARE SERVICES, AS  
39 DEFINED BY THE DOH ,SHALL BE ENSURED ESPECIALLY WITH THE END  
40 IN VIEW OF IMPROVING MATERNAL, INFANT AND CHILD HEALTH.

41 SEC. 23. Section 42 of the same Act is hereby amended to read as follows:

42 “SEC. 42. *Grievance and Appeal Review Committee.* – The Board shall  
43 create a Grievance and Appeal Review Committee, composed of three (3) to five  
44 (5) members, hereinafter referred to as the Committee, which, subject to the  
45 procedures enumerated above, shall receive and recommend appropriate action  
46 on complaints from [members] ENROLLEES and health care providers relative  
47 to this Act and its implementing rules and regulations. THE COMMITTEE SHALL

1 HAVE AS ONE OF ITS MEMBERS AT LEAST ONE MEDICAL  
2 PRACTITIONER AND ONE EXPERT IN HOSPITAL ADMINISTRATION.”

3 **SEC. 24.** Section 44 of the same Act is hereby amended to read as follows:

4 “SEC. 44. *Penal Provisions.* - Any violation of the provisions of this Act,  
5 after due notice and hearing, shall suffer the following penalties:

6 **A) VIOLATIONS OF HEALTH CARE PROVIDERS** – A fine of not less than  
7 **[Ten] FIFTY** thousand pesos **[(P 10,000)] (P50,000)** **[nor] BUT NOT** more than  
8 **[Fifty] ONE HUNDRED** thousand pesos **[(P50,000)] (P100,000)** in case the  
9 violation, **OFFENSES, ABUSES AND/OR UNETHICAL PRACTICES AND/OR**  
10 **FRAUDULENT ACTS THAT MAY BE DETERMINED AND / OR IDENTIFIED**  
11 **BY THE CORPORATION WHICH TENDS TO UNDERMINE OR DEFEAT THE**  
12 **OBJECTIVES OF THE PROGRAM** is committed by the **[hospital management**  
13 **or] ERRING HEALTH CARE** provider, **[In addition, its accreditation shall be**  
14 **suspended or revoked] OR SUSPENSION OF ACCREDITATION** from three (3)  
15 months to the whole term of accreditation, **OR BOTH SUCH FINE AND**  
16 **SUSPENSION/REVOICATION, AT THE DISCRETION OF THE**  
17 **CORPORATION; Provided, [however],** That recidivists may **NO LONGER** **[not**  
18 **anymore]** be accredited as a participant of the Program;

19 **B) VIOLATION OF AN ENROLLEE** – **[A fine of not less than Five hundred**  
20 **pesos (P500) nor more than Five thousand pesos (P5,000) and] ANY**  
21 **ENROLLEE WHO, FOR PURPOSES OF CLAIMING PROGRAM’S BENEFITS**  
22 **OR ENTITLEMENT THERETO, SHALL COMMIT ANY OF THE OFFENSES**  
23 **PROVIDED FOR IN THIS ACT, INDEPENDENTLY OR IN CONNIVANCE WITH**  
24 **THE HEALTH CARE PROVIDER, SHALL SUFFER SUSPENSION FROM**  
25 **AVAILMENT OF PROGRAM’S BENEFITS OF NOT LESS THAN THREE (3)**  
26 **MONTHS BUT NOT MORE THAN SIX (6) MONTHS AND/OR A FINE OF FIVE**  
27 **THOUSAND PESOS (P5,000) AND/OR imprisonment of not less than six (6)**  
28 **months nor more than one (1) year [in case the violation is committed by the**  
29 **member].**

30 **C) VIOLATIONS OF AN EMPLOYER –**

31 **1) FAILURE/REFUSAL TO REGISTER/DEDUCT/REMIT THE**  
32 **CONTRIBUTIONS– [Where the violations consist of failure or refusal to deduct**  
33 **contributions from the employee’s compensation or to remit the same to the**  
34 **Corporation, the penalty shall be a fine of not less than Five hundred pesos**  
35 **(P500) but not more than One thousand pesos (P1,000) multiplied by the total**  
36 **number of employees employed by the firm and imprisonment of not less than**  
37 **six (6) months but not more than one (1) year:] ANY EMPLOYER WHICH**  
38 **FAILS OR REFUSES TO REGISTER ITS EMPLOYEES OR TO DEDUCT**  
39 **CONTRIBUTIONS FROM THE EMPLOYEE’S COMPENSATION AND / OR**  
40 **TO REMIT THE SAME TO THE CORPORATION SHALL BE PENALIZED**  
41 **WITH IMPRISONMENT OF NOT LESS THAN SIX (6) YEARS AND ONE (1)**  
42 **DAY TO TWELVE (12) YEARS, AND A FINE OF NOT LESS THAN FIVE**  
43 **THOUSAND PESOS (P5,000) MULTIPLIED BY THE TOTAL NUMBER OF**  
44 **EMPLOYEES OF THE FIRM.**

45 Any employer or any officer authorized to collect contributions under this  
46 Act who, after collecting or deducting the monthly contributions from his  
47 employee’s compensation, fails to remit the said contributions to the  
48 Corporation within thirty (30) days from the date they become due shall be  
49 presumed to have misappropriated such contribution and shall suffer the  
50 penalties provided for in Article 315 of the Revised Penal Code.

1           **2) DEDUCTIONS OF EMPLOYER'S SHARE, DIRECTLY OR INDIRECTLY,**  
2           **FROM THE COMPENSATION OF ITS EMPLOYEES** - Any employer who  
3           shall deduct directly or indirectly from the compensation of the covered  
4           employees or otherwise recover from them his own contribution on behalf of  
5           such employees shall be punished by a fine [not exceeding One] **OF FIVE**  
6           **thousand pesos (P5,000)** multiplied by the total number of employees  
7           **employed by the firm, [or] AND imprisonment** [not exceeding one (1) year, or  
8           both fine and imprisonment, at the discretion of the Court] **OF NOT LESS**  
9           **THAN SIX (6) YEARS AND ONE DAY TO TWELVE (12) YEARS.**

10           If the act or omission penalized by this Act be committed by an  
11           association, partnership, corporation or any other institution, its managing  
12           directors or partners or president or general manager, or other persons  
13           responsible for the commission of the said act shall be liable for the penalties  
14           provided for in this Act and other laws for the offense.

15           **3) MISAPPROPRIATION OF FUNDS BY EMPLOYEES OF THE**  
16           **CORPORATION** - Any employee of the Corporation who receives or keeps  
17           funds or property belonging, payable or deliverable to the Corporation, and  
18           who shall appropriate the same, or shall take or misappropriate or shall  
19           consent, or through abandonment or negligence shall permit any other person  
20           to take such property or funds wholly or partially, shall likewise be liable for  
21           misappropriation of funds or property and shall suffer imprisonment of not  
22           less than six (6) years and **ONE (1) DAY BUT** not more than twelve (12)  
23           years and a fine not less than Ten Thousand Pesos (P10,000) nor more than  
24           Twenty Thousand Pesos (P20,000). Any shortage of the funds or loss of the  
25           property upon audit shall be deemed *prima facie* evidence of the offense.

26           **D) OTHER VIOLATIONS** - All other violations [involving funds] of the  
27           **PROVISIONS OF THIS ACT, OR OF THE RULES AND REGULATIONS**  
28           **PROMULGATED BY THE Corporation**, shall be [governed by the applicable  
29           provisions of the Revised Penal Code or other laws, taking into consideration the  
30           rules on collection, remittances, and investment of funds as may be promulgated  
31           by the Corporation] **PUNISHED BY A FINE OF NOT LESS THAN FIVE**  
32           **THOUSAND PESOS (P5,000) NOR MORE THAN TWENTY THOUSAND**  
33           **PESOS (P20,000), OR IMPRISONMENT OF NOT LESS THAN SIX (6) YEARS**  
34           **AND ONE (1) DAY BUT NOT TO EXCEED TWELVE (12) YEARS OR BOTH,**  
35           **AT THE DISCRETION OF THE COURT.**

36           **E) CRIMINAL ACTION - CRIMINAL ACTION ARISING FROM A VIOLATION**  
37           **OF THE PROVISIONS OF THIS ACT MAY BE COMMENCED BY THE**  
38           **CORPORATION OR THE EMPLOYEE OR HEALTH CARE PROVIDER**  
39           **CONCERNED, EITHER UNDER THIS ACT OR IN APPROPRIATE CASES**  
40           **UNDER THE REVISED PENAL CODE; PROVIDED, THAT SUCH CRIMINAL**  
41           **ACTION MAY BE FILED IN THE CITY OR MUNICIPALITY WHERE THE**  
42           **VIOLATION WAS COMMITTED OR IN PROPER COURTS IN METRO**  
43           **MANILA, AT THE OPTION OF THE COMPLAINANT.**

44           **F) PROSECUTION OF OFFENSES** - OFFENSES AS DEFINED IN THE  
45           **IMPLEMENTING RULES AND REGULATIONS AND OTHER ISSUANCES OF**  
46           **THE CORPORATION, SHALL BE PROSECUTED IN REGULAR COURTS OF**  
47           **JUSTICE WITH COMPETENT JURISDICTION WITHOUT PREJUDICE TO**  
48           **ADMINISTRATIVE ACTION THAT MAY BE INSTITUTED BY THE**  
49           **CORPORATION UNDER EXISTING LAWS.**

1 G) FILING OF OTHER LEGAL ACTIONS BEFORE THE PROPER COURTS -  
2 THE FILING OF AN ADMINISTRATIVE ACTION AGAINST ANY HEALTH  
3 CARE PROVIDER, INSTITUTION OR PROFESSIONAL, EMPLOYER, OR  
4 ENROLLEE UNDER THIS ACT IS WITHOUT PREJUDICE TO THE  
5 INDEPENDENT FILING OF FURTHER LEGAL ACTIONS IN THE PROPER  
6 COURTS.

7 H) EXECUTION OF PENALTY - WHEN A HEALTH CARE PROVIDER  
8 CEASES OPERATION OR AN INDEPENDENT HEALTH CARE  
9 PROFESSIONAL STOPS HIS/HER PRACTICE BEFORE SERVING THE  
10 SUSPENSION, EXECUTION OF THE PENALTY SHALL BE DEFERRED, TO  
11 BE IMPLEMENTED WHEN THE SAME OWNER OR MEDICAL DIRECTOR  
12 OPENS OR OPERATES A NEW INSTITUTION, REGARDLESS OF THE NAME  
13 OR LOCATION, OR WHEN THE HEALTH CARE PROVIDER PRACTICES  
14 AGAIN WHICHEVER COMES FIRST; *PROVIDED*, THAT THE DISPOSITIVE  
15 PART OF THE RESOLUTION REQUIRING PAYMENT OF FINES,  
16 REIMBURSEMENT OF PAID CLAIM OR DENIAL OF PAYMENT SHALL BE  
17 IMMEDIATELY EXECUTORY.

18 DESPITE THE CESSATION OF OPERATION OR PRACTICE OF A  
19 HEALTH CARE PROVIDER OR PROFESSIONAL WHILE THE COMPLAINT IS  
20 BEING HEARD, THE PROCEEDING SHALL CONTINUE UNTIL RENDITION  
21 OF JUDGMENT FOR PURPOSES OF DETERMINING FUTURE  
22 RELATIONSHIPS BETWEEN THE CORPORATION AND THE ERRING  
23 HEALTH CARE PROVIDER OR PROFESSIONAL.

24 I) APPLICABILITY OF THESE PROVISIONS - COMPLAINTS ALREADY  
25 FILED WITH, AND UNDER DELIBERATION BY, APPROPRIATE BODIES OF  
26 THE CORPORATION PRIOR TO THE EFFECTIVITY OF THIS ACT SHALL BE  
27 GOVERNED IN ACCORDANCE WITH THE PREVIOUS ACTS AND THEIR  
28 IMPLEMENTING RULES AND REGULATIONS."

29 **SEC. 25.** Section 54 of the same Act is hereby amended to read as follows:

30 "SEC. 54. *Oversight Provision.*- [Congress shall] **THERE IS HEREBY**  
31 **CREATED A JOINT CONGRESSIONAL OVERSIGHT COMMITTEE TO**  
32 conduct a regular review of the National Health Insurance Program which shall  
33 entail a systematic evaluation of the Program's performance, impact or  
34 accomplishments with respect to its objectives or goals. [Such review shall be  
35 undertaken by the Senate and the House of Representatives, which have  
36 legislative jurisdiction over the Program.] **THE COMMITTEE SHALL BE**  
37 **COMPOSED OF FIVE (5) MEMBERS FROM THE SENATE AND FIVE (5)**  
38 **MEMBERS FROM THE HOUSE OF REPRESENTATIVES TO BE APPOINTED**  
39 **BY THE SENATE PRESIDENT AND THE SPEAKER OF THE HOUSE OF**  
40 **REPRESENTATIVES, RESPECTIVELY. THE OVERSIGHT COMMITTEE**  
41 **SHALL BE JOINTLY CHAIRED BY THE CHAIRPERSONS OF THE SENATE**  
42 **COMMITTEE ON HEALTH AND DEMOGRAPHY AND THE HOUSE OF**  
43 **REPRESENTATIVES COMMITTEE ON HEALTH.**

44 The National Economic and Development Authority, in coordination with  
45 the National Statistics Office and the National Institutes of Health of the  
46 University of the Philippines shall undertake studies to validate the  
47 accomplishments of the Program. [The Budget required to undertake such study  
48 shall come from the income of the PhilHealth.] **SUCH VALIDATION STUDIES**  
49 **WHICH SHALL INCLUDE AN ASSESSMENT OF THE ENROLLEES'**  
50 **SATISFACTION OF THE BENEFIT PACKAGE AND SERVICES PROVIDED**  
51 **BY THE CORPORATION. THESE VALIDATION STUDIES, AS WELL AS AN**



1 ANNUAL REPORT ON THE PERFORMANCE OF THE CORPORATION,  
2 SHALL BE SUBMITTED TO THE CONGRESSIONAL OVERSIGHT  
3 COMMITTEE.

4 THE CORPORATION SHALL ANNUALLY TRANSFER 0.01% OF ITS  
5 INCOME IN THE PREVIOUS YEAR FOR THE PURPOSE OF CONDUCTING  
6 THESE STUDIES.”

7 **SEC. 26. *Implementing Rules and Regulations.*** – Within one (1) year from the  
8 approval of this Act, the DOH and the Corporation shall issue the necessary rules and  
9 regulations to implement the provisions of this Act.

10 **SEC. 27.** Sections following Section 7 of R.A. No. 7875, as amended, are hereby  
11 renumbered accordingly.

12 **SEC. 28. *Separability Clause.*** – If any part or provision of this Act shall be held  
13 unconstitutional or invalid, other provisions which are not affected thereby shall continue  
14 to be in full force and effect.

15 **SEC. 29. *Repealing Clause.*** – All laws, issuance or any part thereof inconsistent  
16 with this Act are hereby repealed or modified accordingly.

17 **SEC. 30. *Effectivity.*** – This Act shall take effect fifteen (15) days after its  
18 publication in the Official Gazette or in at least two (2) newspapers of general  
19 circulation.

20 Approved,