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

SENATE
S. B. No. 1265

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The offering and operation of health plans is a growing and profitable industry in the Philippines. Many organizations are either engaged in this business or subscribe to one. People subscribe to these health plans and pay substantial sums for guaranteed access to quality health care when they need it.

One of the critical factors that ensure quality health care is a patient's access to all relevant information necessary to make appropriate decisions about their health care. Open medical communication between health care providers and their patients is a key to prevention and early diagnosis and treatment, as well as to informed consent and quality, cost-effective care, therefore open medical communications are in the best interests of patients. It is critical that health care providers continue to exercise their best medical, ethical, and moral judgment in advising patients without interference from health plans.

The purpose of this bill is to establish a national standard that protects medical communications between health care providers and patients.

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO

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AN ACT
TO PROHIBIT THE RESTRICTION OF CERTAIN TYPES OF MEDICAL
COMMUNICATIONS BETWEEN A HEALTH CARE PROVIDER AND A PATIENT.

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

SECTION 1. *Short Title.* - This Act shall be known as the "Patient's Right to Know Act."

SECTION 2. *Definitions.* - For the purposes of this Act-

(1) HEALTH CARE PROVIDER- means anyone licensed or certified under Philippine law to provide health care services and who is operating within the scope of such license;

(2) HEALTH INSURANCE ISSUER- means any company, corporation, association or organization that offers any policy, contract or agreement that stipulates to provide for the insured either medical attention, medicine, care during disability, or money necessary for any such purposes;

(3) HEALTH PLAN- means a group health plan and any individual health insurance operated by a health insurance issuer and includes any other health care coverage provided through a private or public entity. In the case of a health plan, that is an employee welfare benefit plan, any third party administrator or other person with responsibility for contracts with health care providers under the plan shall be considered, for purposes of enforcement under this section, to be a health insurance issuer operating such health plan;

(4) MEDICAL COMMUNICATION-

(A) IN GENERAL- The term 'medical communication' means any communication made by a health care provider with a patient of the health care provider (or the guardian or legal representative of such patient) with respect to--

- (i) the patient's health status, medical care, or legal treatment options;
- (ii) any utilization review requirements that may affect treatment options for the patient; or
- (iii) any financial incentives that may affect the treatment of the patient.

(B) MISREPRESENTATION- The term 'medical communication' does not include a communication by a health care provider with a patient of the health care provider (or the guardian or legal representative of such patient) if the communication involves a knowing or willful misrepresentation by such provider.

SECTION 3. *Prohibition Of Interference With Certain Medical Communications.-*

(A) PROHIBITION--

(1) GENERAL RULE- The provisions of any contract or agreement, or the operation of any contract or agreement, between an entity operating a health plan (including any partnership, association, or other organization that enters into or administers such a contract or agreement) and a health care provider (or group of health care providers) shall not prohibit or restrict the provider from engaging in medical communications with his or her patient.

(2) NULLIFICATION- Any contract provision or agreement described in paragraph (1) shall be null and void.

(3) PROHIBITION ON PROVISIONS- Effective on the date described in Section 7, a contract or agreement described in paragraph (1) shall not include a provision that violates paragraph (1).

(B) RULES OF CONSTRUCTION- Nothing in this Act shall be construed--

(1) to prohibit the enforcement, as part of a contract or agreement to which a health care provider is a party, of any mutually agreed upon terms and conditions, including terms and conditions requiring a health care provider to participate in, and cooperate with, all programs, policies, and procedures developed or operated by a health plan to assure, review, or improve the quality and effective utilization of health care services (if such utilization is according to guidelines or protocols that are based on clinical or scientific evidence and the professional judgment of the provider) but only if the guidelines or protocols under such utilization do not prohibit or restrict medical communications between providers and their patients; or

(2) to permit a health care provider to misrepresent the scope of benefits covered under a health plan or to otherwise require the plan to reimburse providers for benefits not covered under the plan

SECTION 4. *Penalty Clause.* - An entity operating a health plan in the Philippines that violates Section 3(a) shall be subject to a fine of up to Two Hundred Thousand Pesos (P200,000) for each such violation.

SECTION 5. *Separability Clause.* - If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SECTION 6. *Repealing Clause.* - Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with, the provision of this Act is hereby repealed, modified or amended accordingly.

SECTION 7. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved.

MJS
7/17/98