

**EIGHTEENTH CONGRESS OF THE }
REPUBLIC OF THE PHILIPPINES }
Second Regular Session }**



Office of the Secretary

20 SEP 14 P3:02

**SENATE
S.B. No. 1829**

RECEIVED

INTRODUCED BY SENATOR VICENTE C. SOTTO III

**AN ACT AMENDING SECTION 13 OF REPUBLIC ACT NO. 11223,
OTHERWISE KNOWN AS THE UNIVERSAL HEALTH CARE ACT**

EXPLANATORY NOTE

As stated in Article III of Republic Act 7875 or the National Health Insurance Act of 1995 as amended by Republic Act No. 9241 and Republic Act No. 10606, the National Health Insurance Program was established to provide health insurance coverage and ensure affordable, acceptable, available and accessible health care services for all citizens of the Philippines. The program shall include a sustainable system of funds constitution, collection, management and disbursement for financing the availment of a basic minimum package and other supplementary packages of health insurance benefits by a progressively expanding proportion of the population.

Since one of PHILHEALTH's critical mandates is to have a sustainable fund management to ensure the continuous delivery of health care services, it is

deemed proper and appropriate by this representation that the Chairman of the Board should be the Secretary of Finance and not the Secretary of Health.

More importantly, based on the recently concluded Committee of the Whole hearing of PHILHEALTH's alleged anomalies, the irregular and illegal disbursements of the Interim Reimbursement Mechanism greatly affected the actuarial life of PHILHEALTH and caused panic and alarm from the public.

Also, the avoidance and departure of the present Secretary of Health to fulfill his mandate as the Chairman of PHILHEALTH's board, by placing a representative in his stead, clearly defeated the intent of the law mandating the Secretary of Health to be the Chairman of PHILHEALTH.

Thus, the Secretary of Finance would be the most capable and effective to be the Chairman of the PHILHEALTH's Board. The Secretary of Health is still a member of the board to provide necessary linkage to align DOH and PHILHEALTH.

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


VICENTE C. SOTTO III

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

1 SECTION 1. **Section 13 of Republic Act 11223 is hereby amended**
2 **to read as follows:**

3 Section 13. PhilHealth Board of Directors. -

4 (a) The PhilHealth Board of Directors, hereinafter referred to as
5 the Board, is hereby reconstituted to have a maximum of
6 thirteen (13) members, consisting of the following: (1) five (5) ex
7 officio members, namely: the Secretary of [Health] **FINANCE**,
8 Secretary of Social Welfare and Development, Secretary of
9 Budget and Management, Secretary of [Finance] **HEALTH**,
10 Secretary of Labor and Employment; (2) three (3) expert panel
11 members with expertise in public health, management, finance,
12 and health economics; and (3) five (5) sectoral panel members,
13 representing the direct contributors, indirect contributors,
14 employers group, health care providers to be endorsed by their
15 national associations of health care institutions and health care
16 professionals, and representative of the elected local chief

1 executives to be endorsed by the League of Provinces of the
2 Philippines, League of Cities of the Philippines and League of
3 Municipalities of the Philippines: Provided, That at least one (1)
4 of the expert panel members and at least two (2) of the sectoral
5 panel members are women.

6 The sectoral and expert panel members must be Filipino citizens
7 and of good moral character.

8 The expert panel members must: (i) be of recognized probity and
9 independence and must have distinguished themselves
10 professionally in public, civic or academic service; (ii) be in the
11 active practice of their professions for at least seven (7) years;
12 and (iii) not be appointed within one (1) year after losing in the
13 immediately preceding elections, whether regular or special.

14 (b) The [Secretary of Health] **SECRETARY OF FINANCE** shall
15 be an ex officio [nonvoting] Chairperson of the Board. **THE**
16 **SECRETARY OF FINANCE MUST BE PRESENT AND ACT AS THE**
17 **CHAIRMAN IN ALL BOARD ACTIONS AND CANNOT BE**
18 **REPRESENTED BY AN ALTERNATE OR REPRESENTATIVE.**

19 (c) All appointive members of the Board shall be required to
20 undergo training in health care financing, health systems,
21 costing health services and HTA prior to the start of their term.
22 Noncompliance shall be a ground for dismissal.

23 Within thirty (30) days following the effectivity of this Act, the
24 Governance Commission for Government-Owned or -Controlled
25 Corporations (GCG) shall, in accordance with the provisions of
26 Republic Act No. 10149, promulgate the nomination and
27 selection process for appointive members of the Board with a
28 clear set of qualifications, credentials, and recommendation
29 from the concerned sectors.

1 SECTION 2. **Repealing Clause.**- All laws, decrees, executive orders,
2 issuances or regulations inconsistent with the provisions of this Act shall
3 hereby be revised or amended accordingly.

4 SECTION 3. **Reparability Clause.**- If any part of this Act is declared
5 unconstitutional or invalid such parts or provisions thereof not so declared
6 shall remain valid and subsisting.

7 SECTION 4. **Effectivity Clause.**- This Act shall take effect fifteen (15)
8 days after its publication in at least two (2) newspaper of general circulation.

Approved.