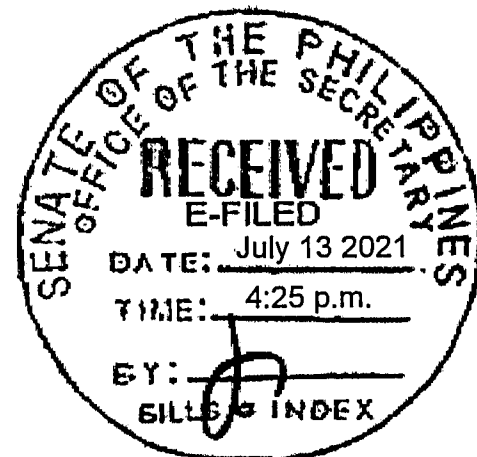


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



SENATE

P.S. Res. No. 774

Introduced by Senator SONNY ANGARA

RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE DELAYED PAYMENT OF CLAIMS BY THE PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH) TO THE COUNTRY'S HEALTH CARE FACILITIES, WITH THE END IN VIEW OF DETERMINING ADEQUATE MECHANISMS TO HASTEN THE PROCESSING OF CLAIMS

1 WHEREAS, for over a year, the country's health care facilities - composed of
2 hospital administrators, doctors, nurses, technicians, allied medical professionals, and
3 support staff from both private and public institutions - have been at the forefront of
4 combatting the COVID-19 disease which is considered as one of the worst health crisis
5 to hit the country and the world;

6 WHEREAS, despite the constant threat of COVID-19 surges, the isolation from
7 family and loved ones, and the mental and physical toll of caring for Filipinos afflicted
8 with the disease, health care facilities all over the country have managed to operate
9 and - in fact - has shown tremendous success in treating patients, thereby allowing
10 the country to reopen its industries and paving the way for economic recovery;

11 WHEREAS, while the work of our medical frontliners and health care facilities
12 should undoubtedly be commended and supported, there are several hospitals -
13 particularly in the private sector who have admitted to be struggling in terms of
14 operations due to unpaid claims from the Philippine Health Insurance Corporation
15 (PhilHealth). In May 2021, the Philippine Hospital Association (PHA), an organization
16 composed of close to 2,000 private and government hospitals, reported that several
17 of its members have been experiencing severe financial distress due to unpaid claims;

1 WHEREAS, PHA President Jaime Almora noted that there are hospitals with
2 receivables ranging from P50 million to P700 million and even one hospital which has
3 claims amounting to P1.2 billion – which forces some of our health care facilities to
4 “dig into their savings or borrow from the banks for their operating budget”;

5 WHEREAS, this is a similar case with member-hospitals from the Private
6 Hospitals Association of the Philippines Inc. (PHAPI) as PHAPI President Jose De Grano
7 announced in April that PhilHealth has amassed around P28 billion in unpaid claims to
8 private hospitals covering only the period from March to December 2020.
9 Consequently, De Grano noted that several private hospitals, such as the Lipa Medix
10 Medical Center, were forced to downsize their operations by reducing their bed
11 capacity or their working hours due to these late payments – amidst a global pandemic
12 which has already claimed over 25,000 lives;

13 WHEREAS, current PhilHealth President and CEO (PCEO) Dante Gierran
14 admitted to the slow settlement of claims due mainly to the COVID-19 pandemic which
15 forced the Corporation to reduce its workforce. However, to respond to the directive
16 of President Rodrigo Duterte and the calls of the health care facilities to expedite the
17 payment of claims, PhilHealth implemented a Debit-Credit Payment Method (DCPM)
18 wherein the Corporation can provide a partial payment of 60% of the claims of
19 hospitals in areas considered to be in high and critical risk for COVID-19 while the
20 remaining 40% will be disbursed “following full compliance to existing claims
21 processing requirements and full reconciliation of the 60% of the total amount of
22 applicable health care facility (HCF) receivables initially paid to the HCF”;

23 WHEREAS, while P6.3 billion in hospital claims have already been released by
24 PhilHealth to 206 health care facilities under the DCPM according to the Corporation’s
25 Spokesperson Shirley Domingo, this is a measly amount compared to the P28 billion
26 in unpaid claims as stated by PHAPI;

27 WHEREAS, this has already been an issue since last year as PHAPI, during the
28 Senate Committee of the Whole (COW) hearing on PhilHealth last August 2020,
29 already raised its concerns of the collectibles/arrears of the Corporation to the private
30 hospitals amounting to P3.6 billion to which PhilHealth responded that they are
31 continuously finding ways to ensure that the claims are fasttracked and paid within
32 the prescribed period of 60 days;

1 WHEREAS, even with the increasing number of vaccinated individuals, the
2 ramping up of the country's vaccination program, and the manageable bed occupancy
3 rate for COVID-19 patients, the government should anticipate and prepare for surges
4 especially with the emergence of more transmissible and deadlier variants by ensuring
5 that our health care system is not impeded by fiscal challenges and is capacitated to
6 handle not only COVID-19 patients but also those with other illnesses;

7 WHEREAS, there is a need to determine how PhilHealth, despite being proactive
8 in settling the issue of unpaid claims, could further improve its processes which – if
9 left unsolved – could be detrimental to our health care facilities and the country's
10 overall health care system. Moreover, there is also a need to determine how Congress
11 and the various government institutions could assist the Corporation on implementing
12 policies and/or technologies to achieve this objective;

13 NOW, THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the
14 Senate of the Philippines, to direct the appropriate Senate Committee to conduct an
15 inquiry, in aid of legislation, on the delayed payment of claims by the Philippine Health
16 Insurance Corporation (PhilHealth) to the country's health care facilities, with the end
17 in view of determining adequate mechanisms to hasten the processing of claims.

Adopted,



SONNY ANGARA