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NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
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SENATE

RECEIVED BY

P.S. Res. No. 30

Introduced by SENATOR SONNY ANGARA

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON FINANCE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE STATE OF HEALTH FINANCING IN THE PHILIPPINES INCLUDING THE STATE OF HEALTH INFRASTRUCTURE, HEALTH PERSONNEL, HEALTH INSURANCE AND THE LINKAGES BETWEEN LOCAL AND NATIONAL HEALTH INITIATIVES, WITH THE END IN VIEW OF DETERMINING THE NEEDED LEGISLATION TO STRENGTHEN THE COUNTRY'S HEALTHCARE SYSTEM

1 WHEREAS, the country's healthcare system – along with its administrators,
2 doctors, nurses, technicians, and allied medical professionals – has borne the brunt of
3 the COVID-19 pandemic for more than two years now and has achieved major
4 victories in curbing wave upon wave of this deadly disease at the cost of their own
5 physical, mental, and emotional wellbeing;

6 WHEREAS, the country recorded its highest COVID-19 positivity rate last
7 January 2022 at 52%, or 10 times beyond the World Health Organization (WHO)
8 benchmark of 5%, that is presumably driven by the highly transmissible Omicron
9 variant resulting to more than 20,000 cases per day;

10 WHEREAS, the COVID-19 positivity rate recently tapered down to 1.5% but has
11 incurred an uptick to 2.2% as of June 8, 2022 with health experts projecting a "weak
12 surge" of new cases reaching no more than 5,000 cases per day in the next few weeks;

13 WHEREAS, in May 2022, the Department of Health (DOH) confirmed the local
14 transmission of the BA.2.12.1 sub-variant, which is said to be more transmissible than
15 the main Omicron variant, after detecting at least 22 cases nationwide;

1 WHEREAS, these new COVID-19 developments stress the need for a cohesive
2 and prepared healthcare system which is hard to achieve since many of the country's
3 private healthcare institutions have been struggling to continue its operations due to
4 the delay in payments or reimbursements from the Philippine Health Insurance
5 Corporation (PhilHealth) – the state's health insurance provider. In fact, last December
6 27, 2021, the Private Hospitals Association of the Philippines, Inc. (PHAPI) called for
7 a five-day "PhilHealth holiday" from January 1 to 5, 2022 in support of the hospitals,
8 namely: Far Eastern University – Dr. Nicanor Reyes Medical Foundation (FEU-NRMF),
9 Iloilo Doctors' Hospital, Iloilo Mission Hospital, Medicus Medical Center, Metro Iloilo
10 Hospital and Medical Center Inc., St. Paul's Hospital of Iloilo, the Medical City-Iloilo
11 and Qualimed Hospital-Iloilo who have ceased their engagement with the Corporation
12 due to the millions in unpaid claims;

13 WHEREAS, PHAPI President Dr. Jose de Grano appealed to the 600 member
14 hospitals to exercise this so-called "PhilHealth holiday" by not accepting claims for
15 PhilHealth deductions for health services;

16 WHEREAS, the problem of unpaid claims has been a recurring conflict between
17 PhilHealth and the healthcare institutions. As reported back in May 2021 by the
18 Philippine Hospital Association (PHA), there were hospitals which were forced to "dig
19 into their savings or borrow from the banks for their operating budget" due to delayed
20 PhilHealth receivables ranging from Php50 million to around Php1.2 billion which
21 greatly affects the manner in which these hospitals deliver services to their patients;

22 WHEREAS, back in August 2020, PHAPI already highlighted the problem of
23 unpaid claims during the Senate Committee of the Whole (COW) hearing on PhilHealth
24 to which the latter responded that they are currently finding means to ensure that the
25 claims are fast-tracked and paid within the prescribed period of 60 days;

26 WHEREAS, in response to the call of a "PhilHealth holiday," the Corporation
27 issued a statement noting that this move would eventually lead to Filipinos suffering
28 and that the Corporation has in fact fast-tracked the release of Php11.64 billion for the
29 payment of claims through the Debit Credit Payment Method (DCPM) – a mechanism
30 wherein the Corporation provides a partial payment of 60% of the claims of hospitals
31 while the remaining 40% will be disbursed "following full compliance to existing claims

1 processing requirements and full reconciliation of the 60% of the total amount of
2 applicable health care facility (HCF) receivables initially paid to the HCF”;

3 WHEREAS, another concern is on the state of the healthcare workers (HCWs) in
4 the country who are experiencing what Filipino Nurses United (FNU) President Maristela
5 Abenojar called an “infectious low morale pandemic” due to demoralization from the
6 lack of personnel support as well as the delayed release or non-release of benefits and
7 support even as DOH reported in November 2021 that it has already disbursed Php15.7
8 billion worth of benefits to HCWs;

9 WHEREAS, considering that the Congress – through the Senate Committee on
10 Finance and the House Committee on Appropriations – approves the budget and the
11 subsidy support to DOH and PhilHealth respectively through the annual General
12 Appropriations Act (GAA), it is only fitting that the Committee should conduct an inquiry
13 in aid of legislation on how the Corporation handles its finances to pay for the services
14 rendered by the healthcare institutions who are catering to the needs of the Filipinos;

15 WHEREAS, a study by the Philippine Institute for Development Studies (PIDS)
16 last December 2021 reported that healthcare quality is not usually considered in
17 monitoring health system performance such that the standardization of care and
18 protocols is not a common practice among public and private hospitals and that relevant
19 quality and efficiency indicators are not utilized in measuring performance –
20 recommending that the DOH initiate the development of comprehensive health
21 information system (HIS) framework standards;

22 WHEREAS, in determining the state of health financing in the country, the
23 Committee would be able to determine how to improve and strengthen the cohesion
24 between healthcare institutions and PhilHealth, and adapt mechanisms that would
25 expedite health financing initiatives which – in turn – would greatly benefit the
26 country’s healthcare infrastructure, personnel, coordination, and connectivity;

27 WHEREAS, the PIDS, in a study last December 2021, found that public hospitals
28 had difficulty achieving the minimum dietary requirements for inpatients with regular
29 diets, where only 35% of hospitals surveyed met the prescribed 1,800 calories for
30 regular adults. Moreover, since 2015, compliance to the Php150 meal allowance per
31 each inpatient as prescribed by DOH Administrative Order No. 2016-0020 is recorded

1 at only 51% last 2021 due limited budget to the hospitals' nutrition and dietetics
2 services and higher price of commodities in their locality;

3 WHEREAS, in line with the full implementation of Republic Act No. 11223 or the
4 Universal Healthcare (UHC) Act, there is also a need to look into the linkages between
5 local and national health services – especially in line with the implementation of the
6 Supreme Court (SC) ruling on the Mandanas-Garcia case – as well as public and private
7 healthcare institutions post-COVID-19 scenario in order to fully equip and prepare the
8 country's healthcare system and avoid the depletion of supplies, equipment, services,
9 and manpower should another health crisis occur in the future;

10 NOW, THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the Senate
11 of the Philippines, to direct the Senate Committee on Finance to conduct an inquiry, in
12 aid of legislation, on the state of health financing in the Philippines including the state
13 of health infrastructure, health personnel, health insurance and the linkages between
14 local and national health initiatives, with the end in view of determining the needed
15 legislation to strengthen the country's healthcare system.

Adopted,



SONNY ANGARA
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