NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Third Regular Session



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SENATE
S. No. <u>723</u>

RECEIVED BY:

INTRODUCED BY SENATOR RONALD "BATO" DELA ROSA

AN ACT AMENDING REPUBLIC ACT NO. 11223 OTHERWISE KNOWN AS AN THE "UNIVERSAL HEALTH CARE ACT"

EXPLANATORY NOTE

On February 20, 2019, then President Rodrigo Duterte signed the Universal Health Care Act into law. Such a piece of legislation was considered a new dawn¹ for Philippine healthcare. The aim was to grant Filipinos the full range of healthcare services, regardless of their respective status in life.

Article XIII, Section 11 of the Philippine Constitution provides that it is the duty of the State to adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. It may be seen, then, that the passage into law of the UHC was precisely the State's way of fulfilling this duty.

However, it is also incumbent upon legislators to ensure that existing laws are able to properly respond to the needs of the times. As the COVID-19 pandemic has made evident, there are Filipinos whose circumstances are less convenient than others, especially in the face of a global emergency such as a health crisis. Among those Filipinos are our Overseas Filipino Workers (OFWs) and our self-earning individuals.

Under Section 10 of the Universal Health Care law, all the premium contribution rates are based on percentages depending on the income bracket to which one

¹ "UHC Act in the Philippines: a new dawn for health care," 14 March 2019. Retrieved from: https://www.who.int/philippines/news/feature-stories/detail/uhc-act-in-the-philippines-a-new-dawn-for-health-care, retrieved on February 24, 2021.

belongs. Under this proposed amendment to Section 10, the premium contribution rates and schedules of our migrant workers and self-earning individuals to PhilHealth shall now be based on the income floor. This will then result to a lower contribution rate for them. Also, upon their entry back to the country, our OFWs will not be charged for their unpaid contributions. At the same time, should they fail to pay their PhilHealth contribution, regardless of the reason, such will not be used against them as grounds for non-issuance of their overseas employment certificate.

Further, under this bill, the President is authorized to suspend or defer the contribution increases stated in Section 10 of the UHC Act in the event of a nationally declared state of emergency or calamity. This amendment is proof of that we have learned one of the more difficult lessons from the pandemic – what used to work under normal times must not be assumed to work in emergencies. We cannot charge our people with the same fees, with the same rates, if we are no longer enjoying the same circumstances.

Hence, I earnestly seek the swift passage of this bill into law.

RONALD "BATO" DELA ROSA

	Senate Secretary		
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AN ACT AMENDING REPUBLIC ACT NO. 11223 OTHERWISE KNOWN AS AN THE "UNIVERSAL HEALTH CARE ACT"

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

Section 1. Section 10 of Republic Act No. 11223 is hereby amended to read as follows:

SEC. 10. *Premium Contributions.* – For direct contributors, premium rates shall be in accordance with the following schedule, and monthly income floor and ceiling:

Year	Premium Rate	Income Floor	Income Ceiling
2019	2.75%	P10,000.00	P50,000.00
2020	3.00%	P10,000.00	P60,000.00
20 21	3.50%	P10,000.00	P70,000.00
2022	4.00%	P10,000.00	P80,000.00
2023	4.50%	P10,000.00	P90,000.00
2024	5.00%	P10,000.00	P100,000.00
2025	5.00%	P10,000.00	P100,000.00]

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YEAR	PREMIUM	INCOME	INCOME
	RATE	FLOOR	CEILING
2022	3%	P10,000.00	P40,000.00
2023	3.5%	P10,000.00	P40,000.00
2024	4%	P10,000.00	P40,000.00
2025	4.5%	P10,000.00	P45,000.00
2026	5%	P10,000.00	P50,000.00

PROVIDED, THAT PREMIUM CONTRIBUTIONS OF MIGRANT WORKERS AND SELF-EARNING INDIVIDUALS SHALL BE BASED ON THE INCOME FLOOR: PROVIDED, FURTHER, THAT UNPAID PREMIUM CONTRIBUTIONS OF DISTRESSED OR REPATRIATED MIGRANT WORKERS SHALL NOT BE COLLECTED UPON THEIR ARRIVAL IN THE COUNTRY: PROVIDED, FINALLY, THAT FAILURE TO PAY PHILHEALTH CONTRIBUTION SHALL NOT BE A GROUND FOR NON-ISSUANCE OF OVERSEAS EMPLOYMENT CERTIFICATE OF A MIGRANT WORKER.

[*Provided,* That f] For indirect contributors, premium subsidy shall be gradually adjusted and included annually in the General Appropriations Act (GAA): *Provided,* [*further,*] That the funds shall be released to Philhealth: *Provided, further*[*more*]: That the DOH, in coordination with Philhealth, may request Congress to appropriate supplemental funding to meet targeted milestones of this Act: *Provided, finally,* That for every increase in the rate of contribution of direct contributors and premium subsidy of indirect contributors, Philhealth shall provide for a corresponding increase in benefits.

THE PRESIDENT OF THE PHILIPPINES SHALL HAVE THE POWER TO SUSPEND OR DEFER THE IMPLEMENTATION OF INCREASES IN PREMIUM CONTRIBUTION RATES IN THIS SECTION BY VIRTUE OF AN ORDER ISSUED SOLELY IN TIMES

OF A DECLARED STATE OF NATIONAL EMERGENCY OR STATE OF CALAMITY FOR A PERIOD NOT EXCEEDING SIX MONTHS WHICH MAY BE EXTENDED TO ANOTHER SIX MONTHS UPON DETERMINATION BY THE PRESIDENT THAT FURTHER EXTENSION OF THE SUSPENSION OF IMPLEMENTATION OF INCREASES IS NECESSARY TO PROTECT PUBLIC INTEREST AND WELFARE: *PROVIDED,* THAT THIS POWER SHALL BE SUBJECT TO CONSULTATION WITH THE PHILHEALTH AND AFFECTED MEMBERS AND KEY STAKEHOLDERS.

Section 2. Repealing Clause. – All laws, decrees, executive orders, rules and regulations, which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Section 3. Effectivity. - This act shall take effect fifteen (15) days after its publication in the official gazette or at least two (2) national newspapers of general circulation.

Approved,