

FOURTEENTH CONGRESS OF THE }  
REPUBLIC OF THE PHILIPPINES }  
*First Regular Session* }

7 JUN 30 P4:01

SENATE

S. B. No. 218

RECEIVED BY: 

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Introduced by SENATOR EDGARDO J. ANGARA

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**EXPLANATORY NOTE**

The National Health Insurance Act or PHILHEALTH Act envisioned the establishment of a system that would provide all citizens, especially the poor, financial access to health services through a National Health Insurance Program (NHIP). I believe PhilHealth has indeed revolutionized our health insurance in ways never before imagined. If before, the poor stayed at home when they are ill because healthcare is unaffordable and inaccessible, this time, their PhilHealth membership has made it possible for them to enter a hospital (some for the first time) to be properly attended to by doctors and nurses.

While this has resulted in marked gains in the delivery of basic health care services in the country, there still remain major challenges facing the country's health sector. This government has yet to increase its health budget. This dismal level of financing in the health sector simply shows the insufficient efforts to make substantial improvements in the health of the population, especially our poor.

So problems persist.

For instance, World Bank reports that infant and mortality rates for babies below 5 years old are 2.3 – 2.7 times higher for households in the poorest groups in the country. Among pre-school age children, the national estimates for the prevalence of malnutrition reveal that 31 out of every 100 children (30.6%) are underweight. Among school-age children, 33 out of every 100 children (32.9%) are underweight for their age. Full vaccination rate has likewise decreased. A national government survey indicates that 3 out of 10 children age 12-23 months have not received the recommended vaccinations.

These statistics highlight the difference in living standards and access to health care. Poor families would usually forego health care and put more of their resources on food consumption.

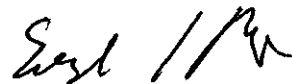
This measure aims to do its share in addressing this lamentable experience. It proposes to increase and expand the scope and coverage of our NHIP to cover one of the most uninsured population to benefit from public health insurance programs --- the children. Let us make our children not only dependents but beneficiaries as well. The Children's Health Insurance Program (CHIP), as proposed, is designed for low-income families who cannot afford to insure the health needs of their children. With the implementation of a Children's Health Insurance Program (CHIP) under the NHIP, eligible low-income children shall be entitled to a full range of health services



including regular checkups, immunizations, prescription drugs, lab tests, X-rays, hospital and clinic visits, durable medical equipments, hospital visits, dental and eye care.

These innovations will do wonders to our young population and will be consistent with the Millenium Development Goals (MDGs) of galvanizing unprecedented and concerted efforts to meet the needs of the underprivileged sector. Let us take pride in our achievements while we continue to explore ways in making PhilHealth even more responsive to changing times and the needs of our people especially the uninsured children of our poor.

Approval of this measure, therefore, is urgently and earnestly sought.



**EDGARDO J. ANGARA**  
Senator

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**AN ACT INSTITUTING MECHANISMS FOR THE ESTABLISHMENT OF  
A CHILDREN'S HEALTH INSURANCE PROGRAM, AMENDING FOR  
THE PURPOSE REPUBLIC ACT NO. 7875, OTHERWISE KNOWN AS  
"THE NATIONAL HEALTH INSURANCE ACT OF 1995,"  
AS AMENDED BY R.A. 9241, AND FOR OTHER PURPOSES**

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

1           **SECTION 1.** Section 4 of Republic Act No. 7875 is hereby amended to  
2 read as follows:

3                   "SEC. 4. Definition of Terms. – For the purposes of this Act, the  
4 following terms shall be defined as follows:

5                   xxx

6                   (d) *CHILD HEALTH ASSISTANCE* – A RANGE OF HEALTH  
7 CARE AND SUPPORT SERVICES INCLUDING, BUT NOT LIMITED  
8 TO, PHYSICIAN SERVICES AND ANY OTHER MEDICAL,  
9 DIAGNOSTIC, SCREENING, PREVENTIVE, RESTORATIVE,  
10 REMEDIAL, THERAPEUTIC OR REHABILITATIVE SERVICES;

11                   xxx

12                   (s) Member – Any person whose premiums have been  
13 regularly paid to the National Health Insurance Program. He may be a  
14 paying member, an indigent member, A QUALIFIED CHILD  
15 MEMBER, or a pensioner / retiree member.

16                   xxx

17                   (dd) QUALIFIED CHILD MEMBER – ANY CHILD OF A  
18 LOW-INCOME FAMILY UNDER 6 YEARS OF AGE OR OVER BUT  
19 WHO ARE UNABLE TO FULLY TAKE CARE OF THEMSELVES OR  
20 PROTECT THEMSELVES FROM ABUSE, NEGLECT, CRUELTY,  
21 EXPLOITATION OR DISCRIMINATION BECAUSE OF A  
22 PHYSICAL, MENTAL DISABILITY OR CONDITION AND WHOSE

1 FAMILY IS BELOW POVERTY LINE, AND DETERMINED AS  
2 SUCH BY THE PERTINENT GOVERNMENT AGENCY;

3  
4 **SECTION 2.** Section 5 of the same Act shall now read as follows:

5 "Sec. 5. Establishment and Purpose. – There is hereby created  
6 the National Health Insurance Program which shall provide health  
7 insurance coverage and ensure affordable, acceptable, available and  
8 accessible health care services for all citizens of the Philippines, in  
9 accordance with the policies and specific provisions of this Act. Xxx. It  
10 shall initially consist of Programs I and II of Medicare and be  
11 expanded progressively to constitute one universal health insurance  
12 program for the entire population. IT SHALL INITIATE AND  
13 EXPAND THE PROVISION OF CHILD HEALTH ASSISTANCE TO  
14 INCLUDE A CHILD HEALTH INSURANCE PROGRAM FOR  
15 UNINSURED, LOW-INCOME CHILDREN IN AN EFFECTIVE AND  
16 EFFICIENT MANNER THAT IS COORDINATED WITH OTHER  
17 SOURCES OF HEALTH BENEFITS COVERAGE FOR CHILDREN.

18 xxx.

19  
20 **SECTION 3.** Section 6 of the same Act shall now read as follows:

21 "SEC. 6. Coverage. - All citizens of the Philippines, WHETHER  
22 CHILD OR ADULT, shall be covered by the National Health Insurance  
23 Program. In accordance with the principles of universality and  
24 compulsory coverage enunciated in Section 2 (b) and 2 (1) hereof,  
25 implementation of the Program shall, furthermore, be gradual and  
26 phased in over a period of not more than fifteen (15) years: *Provided,*  
27 That the Program shall not be made compulsory in certain provinces  
28 and cities until the Corporation shall be able to ensure that members  
29 in such localities shall have reasonable access to adequate and  
30 acceptable health care services."

31  
32 **SECTION 4.** Section 7 of the same Act shall now read as follows:

33 "SEC. 7. Enrollment. - The Program shall enroll beneficiaries in  
34 order for them to be placed under coverage that entitles them to avail  
35 of benefits with the assistance of the financial arrangements provided  
36 by the Program. The process of enrollment shall include the

1 identification of beneficiaries, issuance of appropriate documentation  
2 specifying eligibility to benefits, and indicating how membership was  
3 obtained or is being maintained. The enrollment shall proceed in  
4 accordance with these specific policies:

5 a) xxx;

6 b) xxx;

7 c) xxx; and

8 d) xxx.

9 All indigents AND QUALIFIED CHILD MEMBER not enrolled  
10 in the Program shall have priority in the use and availment of the  
11 services and facilities of government hospitals, health care personnel,  
12 and other health organizations: Provided, however, That such  
13 government health care providers shall ensure that said indigents  
14 AND QUALIFIED CHILD MEMBER shall subsequently be enrolled in  
15 the Program.”

16  
17 **SECTION 5.** Section 12 of the same Act shall now read as follows:

18 “SEC. 12. Entitlement to Benefits. – xxx

19 The following need not pay the monthly contributions to be entitled to  
20 the Program’s benefits: Retirees and pensioners of the SSS and GSIS  
21 prior to the effectivity of this Act; Members who reach the age of  
22 retirement as provided for by law and have paid at least one hundred  
23 twenty (120) monthly contributions; [and] Enrolled indigents; AND (D)  
24 QUALIFIED CHILD OF LOW-INCOME FAMILIES.

25  
26 **SECTION 6.** Section 28 of the same Act is hereby amended to read as  
27 follows:

28 “SEC. 28. Contributions. – All members of the Program shall  
29 contribute to the Fund, in accordance with a reasonable, equitable and  
30 progressive contribution schedule to be determined by the Corporation  
31 on the basis of applicable actuarial studies and in accordance with the  
32 following guidelines:

33 xxx

34 xxx

35 xxx

1           CONTRIBUTIONS MADE IN BEHALF OF A QUALIFIED  
2 CHILD MEMBER SHALL NOT EXCEED THE MINIMUM  
3 CONTRIBUTIONS SET FOR EMPLOYED MEMBERS.”  
4

5           **SECTION 7.** A new Section 30 is hereby added to read as follows:

6           **SEC. 30.** Payment for a Child Beneficiary’s Contributions. –  
7 CONTRIBUTIONS FOR QUALIFIED CHILDREN BENEFICIARIES  
8 SHALL BE SUBSIDIZED PARTIALLY BY THE LOCAL  
9 GOVERNMENT UNIT WHERE THE MEMBER RESIDES. THE  
10 CORPORATION SHALL PROVIDE COUNTERPART FINANCING  
11 EQUAL TO THE LGU’S SUBSIDY FOR CHILDREN. THE SHARE  
12 OF THE LGUS SHALL BE PROGRESSIVELY INCREASED UNTIL  
13 SUCH TIME THAT ITS SHARE BECOMES EQUAL TO THAT OF  
14 THE NATIONAL GOVERNMENT.  
15

16           **SECTION 8. *Implementing Rules and Regulations.*** Within thirty  
17 (30) days from the effectivity of this Act, the Board of Directors of the  
18 Philippine Health Insurance Corporation (PHIC) shall convene to formulate  
19 the rules and regulations for the implementation of this Act.  
20

21           **SECTION 9. *Separability Clause*** If any part or provision of this Act  
22 shall be held unconstitutional or invalid, other provisions which are not  
23 affected thereby shall continue to be in full force and effect..  
24

25           **SECTION 10. *Repealing Clause.*** All laws, presidential decrees,  
26 executive orders, rules and regulations or parts thereof which are deemed  
27 inconsistent wit the provisions of this Act are hereby repealed, amended, or  
28 modified accordingly.  
29

30           **SECTION 11. *Effectivity Clause.*** This Act shall take effect fifteen  
31 (15) days following its full and complete publication in an Official Gazette or  
32 in at least two (2) newspapers of general circulation, whichever comes first.  
33

34           *Approved,*