SENATE

S.B. No. 55

Introduced by Senator EDGARDO J. ANGARA

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

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SENATE

S.B. No. 55

RECEIVED BY

Introduced by Senator EDGARDO J. ANGARA

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,"

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

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

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

5   x x x

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

12   x x x

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

17   x x x

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

1   BECAUSE OF A PHYSICAL, MENTAL DISABILITY OR
2   CONDITION AND WHOSE FAMILY IS BELOW POVERTY LINE,
3   AND DETERMINED AS SUCH BY THE PERTINENT
4   GOVERNMENT AGENCY;

6   SEC. 2. Section 5 of the same Act shall now read as follows:

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

22   SEC. 3. Section 6 of the same Act shall now read as follows:

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

33   SEC. 4. Section 7 of the same Act shall now read as follows:

34   "SEC. 7. *Enrollment.* - The Program shall enroll beneficiaries in
35   order for them to be placed under coverage that entitles them to avail of
36   benefits with the assistance of the financial arrangements provided by the
37   Program. The process of enrollment shall include the identification of
38   beneficiaries, issuance of appropriate documentation specifying eligibility

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to benefits, and indicating how membership was obtained or is being maintained. The enrollment shall proceed in accordance with these specific policies:

a) xxx;

b) xxx;

c) xxx; and

d) xxx.

All indigents **AND QUALIFIED CHILD MEMBER** not enrolled in the Program shall have priority in the use and availment of the Services and facilities of government hospitals, health care personnel, and other health organizations: *Provided, however,* That such government health care providers shall ensure that said indigents **AND QUALIFIED CHILD MEMBER** shall subsequently be enrolled in the Program."

SEC. 5. Section 12 of the same Act shall now read as follows:

"**SEC. 12.** *Entitlement to Benefits.* – x x x The following need not pay the monthly contributions to be entitled to the Program's benefits: Retirees and pensioners of the SSS and GSIS prior to the effectivity of this Act; Members who reach the age of retirement as provided for by law and have paid at least one hundred twenty (120) monthly contributions; [and] Enrolled indigents; **AND (D) QUALIFIED CHILD OF LOW-INCOME FAMILIES.**

SEC. 6. Section 28 of the same Act is hereby amended to read as follows:

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

x x x

x x x

x x x

CONTRIBUTIONS MADE IN BEHALF OF A QUALIFIED CHILD MEMBER SHALL NOT EXCEED THE MINIMUM CONTRIBUTIONS SET FOR EMPLOYED MEMBERS."

SEC. 7. A new Section 30 is hereby added to read as follows:

1   "SEC. 30. PAYMENT FOR A CHILD BENEFICIARY'S
2   CONTRIBUTIONS. - CONTRIBUTIONS FOR QUALIFIED
3   CHILDREN BENEFICIARIES SHALL BE SUBSIDIZED
4   PARTIALLY BY THE LOCAL GOVERNMENT UNIT WHERE
5   THE MEMBER RESIDES. THE CORPORATION SHALL
6   PROVIDE COUNTERPART FINANCING EQUAL TO THE LGUS
7   SUBSIDY FOR CHILDREN. THE SHARE OF THE LGUS SHALL
8   BE PROGRESSIVELY INCREASED UNTIL SUCH TIME THAT
9   ITS SHARE BECOMES EQUAL TO THAT OF THE NATIONAL
10   GOVERNMENT.

11

12   SEC. 8. *Implementing Rules and Regulations.* Within thirty (30) days from the
13 effectivity of this Act, the Board of Directors of the Philippine Health Insurance
14 Corporation (PHIC) shall convene to formulate the rules and regulations for the
15 implementation of this Act.

16

17   SEC. 9. *Separability Clause* If any part or provision of this Act shall be held
18 unconstitutional or invalid, other provisions which are not affected thereby shall continue
19 to be in full force and effect.

20

21   SEC. 10. *Repealing Clause.* All laws, presidential decrees, executive orders, rules
22 and regulations or parts thereof which are deemed inconsistent wit the provisions of this
23 Act are hereby repealed, amended, or modified accordingly.

24

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

28

29   *Approved,*