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**SENATE
S. B. No. 1835**

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INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

**AN ACT
ESTABLISHING A PATIENT'S EQUITY TO SUPPORT OUT-OF-POCKET
EXPENSE VALUE, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER
PURPOSES**

EXPLANATORY NOTE

The primary goal of health systems is the attainment of acceptable level of health for all people. This has been an overarching aim identified and defined since the promulgation of the Declaration of Primary Healthcare more than 30 years ago. Recognizing that better health comes at a cost, most of these borne by individual patients, health systems should also afford some level of protection to individuals from financial risks when accessing care.

Mitigation of catastrophic health expenditures is a challenge faced in the Philippines. Notably, the country's insurance scheme provides very limited support for medicines, which constitute majority of health care cost. Filipino families, therefore, bear a disproportionate share of the financial burden for health care. Philippine Health Accounts in 2013 reports that 53.6% of total health care expenditures comes from private out-of-pocket sources with only 11.5% coming from the National Health Insurance Program.

Additionally, the World Health Organization reports that the Philippines' total health expenditure per capita for 2014 was only US\$ 329. This may have increased in 2018 because of the increase in the annual budget for the Department of Health.

However, despite the budget increase it is a common knowledge that majority of Filipinos, especially the poor, are dependent on the services of the government.

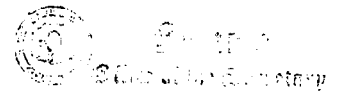
This proposed measure seeks to protect and promote good health among Filipinos by providing the appropriate funding support for poor and needy Filipinos. In order to streamline services, this bill mandates that PhilHealth be the sole agency that will provide timely and responsive financial assistance to individuals with health-related needs; all medical assistance programs implemented by other government agencies shall cease.

In view of the foregoing, the immediate enactment of this measure is sought.



SENATOR JOSEPH VICTOR G. EJERCITO

SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



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S. B. No. 1835

SECRET 

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**AN ACT
ESTABLISHING A PATIENT'S EQUITY TO SUPPORT OUT-OF-POCKET
EXPENSE VALUE, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER
PURPOSES**

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

1 **Section 1. Short Title.** – This Act shall be known as the "**Patient's Equity to**
2 **Support Out-of-Pocket Expense Value (PESO Value) Act of 2018**".

3 **Section 2. Declaration of Policies.** – The State guarantees the right of people
4 to quality health care. Pursuant to the 1987 Constitution, the State shall adopt an
5 integrated and comprehensive approach to health development which shall endeavor
6 to make essential goods, health and other social services available to all the people at
7 affordable cost.

8 **Section 3. Unification of Financing of Medical Services.** – The Philippine
9 Health Insurance Corporation (PhilHealth) shall be the sole agency that will provide
10 timely and responsive financial assistance to individuals with health-related needs.
11 Local government units, however, are not precluded from providing medical assistance
12 to its constituents.

13 The Medical Assistance Program of the Department of Health (DOH) and its
14 budget shall be incorporated within two (2) years after the implementation of this law.

15 For this purpose, the Philippine Amusement and Games Corporation (PAGCOR)
16 and the Philippine Charity Sweepstakes Office (PCSO) shall remit annually Fifteen
17 Billion Pesos (P15,000,000,000.00) and Five Billion Pesos (P5,000,000,000.00),
18 respectively, to Philhealth. The National Government shall also initially provide Ten

1 Billion Pesos (P10,000,000,000.00) in the next General Appropriations Act, to be
2 increased annually by ten (10) percent.

3 PAGCOR and PCSO shall cease all its medical assistance program when this Act is
4 implemented.

5 **Section 4. Medical Fund.** – Philhealth shall create a Medical Fund from the
6 remittance of PAGCOR, PCSO and the national government that will be used solely in
7 providing financial assistance to Filipinos. Any money in the fund that are not used at
8 the end of a fiscal year shall be carried forward to the next succeeding fiscal year.

9 All branches of the Philhealth nationwide are mandated to receive applications for
10 assistance and process all applications, with complete documentary requirements,
11 within three (3) working days.

12 **Section 5. Benefits.** – The financial assistance shall cover the following:

- 13 a) Mandatory diagnostics and laboratory tests;
- 14 b) Operating room expenses;
- 15 c) Doctors' professional fees;
- 16 d) Room and board;
- 17 e) Medicines;
- 18 f) Emergency care services;
- 19 g) Blood and blood products;
- 20 h) Expenses for the treatment and management of medical conditions considered
21 as "economically and medically catastrophic and rare diseases";
- 22 i) Other health care services as may be defined by Philhealth.

23 **Section 6. Benchmarking.** – Philhealth is directed to benchmark with other
24 countries with best practices in providing financial assistance and health care to its
25 citizens.

26 **Section 7. Transparency.** – Philhealth is mandated to post in its website the use
27 of the Medical Fund by listing the names of approved applications for medical
28 assistance, amount approved, and the hospitals where they are receiving medical care.

29 **Section 8. Implementing Rules and Regulations.** – Within sixty (60) days
30 from the approval of this Act, Philhealth, after consultation with the public, shall
31 promulgate rules and regulations to implement the provisions of this Act.

32 **Section 9. Separability Clause.** - If any part or provision of this Act shall be
33 held unconstitutional or invalid, other provisions hereof which are not affected shall

1 continue to be in full force and effect.

2 **Section 10. Repealing Clause.** - Republic Act No. 4226, otherwise known as
3 the Hospital Licensure Act, is hereby repealed. Presidential decrees, executive orders,
4 rules and regulations and other issuances or parts thereof, which are inconsistent with
5 the provisions of this Act are hereby repealed, amended or modified accordingly.

6 **Section 11. Effectivity.** - This Act shall take effect fifteen (15) days after its
7 publication in the *Official Gazette* or in two (2) newspaper of general circulation.

Approved,