

**SENATE**  
S. No. 1945

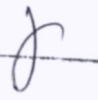
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Introduced by **Senator Richard J. Gordon**

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**AN ACT AMENDING SECTIONS 386 AND 391 OF R.A. NO. 10607,  
OTHERWISE KNOWN AS THE INSURANCE CODE, AS AMENDED**

**EXPLANATORY NOTE**

Chapter VI of the Insurance Code of the Philippines (as amended) provides for Compulsory Motor Vehicle Liability Insurance for the registration of motor vehicles. The Code provides that, it shall be unlawful for any land transportation operator or owner of a motor vehicle to operate the same in public highways unless there is in force a policy of insurance or guaranty, in cash or surety bond, to indemnify the death, bodily injury, and/or damage to property of a third-party or passenger, as the case may be, arising from the use thereof.

In cases of death or injury to any passenger or third-party, Section 391 of the Code provides for a total indemnity of any person for P15,000. However, it does not specifically provide that part of the indemnity will be paid for ambulance services which contributes to the stigma that acquiring ambulance services are costly, aside from the fact that many are unaware of the availability of such services.

In a report by the Metropolitan Manila Development Authority (MMDA), a total of 434 Filipinos died while 19,374 were wounded due to road crash incidents. This would mean that 4 in every 100,000 Filipinos die while 193 people in every 100,000 are injured in 2017. Road crash incidents increased by 703, having a total of 110,025 road crash incidents, as compared to 109,322 incidents for 2016. The 2017 figure translates roughly 299 cases per day. Thus, having this in mind, it is appropriate to include the cost of ambulance services in the indemnity provided for in Compulsory Motor Vehicle Liability Insurances of motor vehicles to put an end or at least prevent the continuing rise of death and/or injuries due to road crash incidents.



**RICHARD J. GORDON**  
Senator

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**AN ACT AMENDING SECTIONS 386 AND 391 OF R.A. NO. 10607,  
OTHERWISE KNOWN AS THE INSURANCE CODE, AS AMENDED**

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

1 SECTION 1. Section 386 of R.A. No. 10607 is hereby amended to read as  
2 follows:

3 "Section 386. For purposes of this chapter:

4 (a) Motor Vehicle is any vehicle as defined in Section 3, paragraph (a) of  
5 Republic Act No. 4136, otherwise known as the 'Land Transportation and Traffic Code';

6 (b) Passenger is any fare paying person being transported and conveyed in and  
7 by a motor vehicle for transportation of passengers for compensation, including persons  
8 expressly authorized by law or by the vehicle's operator or his agents to ride without  
9 fare;

10 (c) Third party is any person other than a passenger as defined in this section  
11 and shall also exclude a member of the household, or a member of the family within  
12 the second degree of consanguinity or affinity, of a motor vehicle owner or land  
13 transportation operator, as likewise defined herein, or his employee in respect of death,  
14 bodily injury, or damage to property arising out of and in the course of employment;

15 (d) Owner or motor vehicle owner means the actual legal owner of a motor  
16 vehicle, in whose name such vehicle is duly registered with the Land Transportation  
17 Office;

18 (e) Land transportation operator means the owner or owners of motor vehicles  
19 for transportation of passengers for compensation, including school buses;

20 (f) Insurance policy or Policy refers to a contract of insurance against passenger  
21 and third-party liability for death or bodily injuries and damage to property arising from  
22 motor vehicle accidents;

23 **(G) EMERGENCY MEDICAL SERVICES (EMS) REFERS TO A NETWORK**  
24 **OF PRE-HOSPITAL OR PRE-HEALTH CARE FACILITY SERVICES**



1 COORDINATED TO PROVIDE AID AND MEDICAL ASSISTANCE FROM THE  
2 PLACE OF INCIDENT TO THE NEAREST APPROPRIATE HOSPITAL OR HEALTH  
3 CARE FACILITY, DELIVERED BY AN EMS PERSONNEL;

4 (H) EMS PERSONNEL REFERS TO A PERSON TRAINED IN RENDERING  
5 EMERGENCY MEDICAL SERVICES BY ANY ACCREDITED NONGOVERNMENTAL  
6 ORGANIZATION, AUTHORIZED BY THE GOVERNMENT TO CONDUCT EMS  
7 TRAINING, SUCH AS THE PHILIPPINE RED CROSS;

8 (I) AMBULANCE SERVICE REFERS TO FEES FROM EMS MEASURES  
9 DELIVERED BY AN EMS PERSONNEL TO A PASSENGER AND/OR THIRD  
10 PARTY, FROM THE PLACE OF INCIDENT TO THE NEAREST APPROPRIATE  
11 HOSPITAL OR HEALTH CARE FACILITY. PROVIDED THAT, EMS SERVICES  
12 SHALL BE RENDERED BY THE NEAREST APPROPRIATE HOSPITAL OR HEALTH  
13 CARE FACILITY, AS THE CASE MAY BE, OR A DULY RECOGNIZED AND  
14 ACCREDITED NONGOVERNMENTAL ORGANIZATION, AUTHORIZED TO  
15 RENDER EMS SERVICES, AS DETERMINED BY THE SECRETARY OF HEALTH,  
16 SUCH AS THE PHILIPPINE RED CROSS."

17 Sec. 2. Section 391 of R.A. No. 10607 is hereby amended to read as follows:

18 "Section 391. Any claim for death or injury to any passenger or third-party  
19 pursuant to the provisions of this chapter shall be paid without the necessity of proving  
20 fault or negligence of any kind: Provided, That for purposes of this section:

21 (a) The total indemnity in respect of any person, **FOR DEATH OR BODILY**  
22 **INJURIES AND DAMAGE TO PROPERTY ARISING FROM MOTOR VEHICLE**  
23 **ACCIDENTS**, shall not be less than [Fifteen thousand pesos (P15,000.00)] **TWENTY**  
24 **THOUSAND PESOS (P 20,000.00). PROVIDED THAT, IT SHALL INCLUDE**  
25 **AMBULANCE SERVICES WHICH SHALL BE REMITTED BY THE INSURER**  
26 **DIRECTLY TO THE EMS SERVICE;**

27 (b) The following proofs of loss, when submitted under oath, shall be sufficient  
28 evidence to substantiate the claim:

29 (1) Police report of accident; and

30 (2) Death certificate and evidence sufficient to establish the proper payee; or

31 (3) Medical report and evidence of medical or hospital disbursement in  
32 respect of which refund is claimed;

33 (c) Claim may be made against one motor vehicle only. In the case of an  
34 occupant of a vehicle, claim, shall lie against the insurer of the vehicle in which the  
35 occupant is riding, mounting or dismounting from. In any other case, claim shall lie  
36 against the insurer of the directly offending vehicle. In all cases, the right of the party

1 paying the claim to recover against the owner of the vehicle responsible for the  
2 accident shall be maintained.”

3       Sec. 3. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or  
4 other issuances or parts thereof inconsistent with the provisions of this Act are hereby  
5 repealed or modified accordingly.

6       Sec. 4. *Separability Clause.* – If any portion or provision of this Act is declared  
7 unconstitutional, the remainder of this Act or any provision not affected thereby shall  
8 remain in force and effect.

9       Sec. 5. *Effectivity.* – This Act shall take effect after fifteen (15) days following the  
10 completion of its publication either in the Official Gazette or in a newspaper of general  
11 circulation.

12       Approved,

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