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**SENATE**

**S. B. NO. 346**

RECEIVED



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Introduced by **SENATOR JOEL VILLANUEVA**

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**AN ACT PROVIDING FOR MANDATORY FREE HEALTH  
MAINTENANCE ORGANIZATION (HMO) PLAN COVERAGE TO  
FACULTY AND NON-TEACHING PERSONNEL IN STATE  
UNIVERSITIES AND COLLEGES AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

Article XIV, Section 5, Paragraph (5) of the 1987 Constitution mandates that "[t]he State shall assign the highest budgetary priority to education and ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment." Towards this end, one of the efforts undertaken by the government is the implementation of an across-the-board increase in the salary schedule of civilian government personnel.

However, problems still persist with regard the provision of "adequate remuneration and other means of job satisfaction and fulfillment" to faculties and non-teaching personnel in state universities and colleges (SUCs). One of these problems is in the aspect of healthcare.

If the personnel were to suffer from a debilitating illness, limited PhilHealth coverage would only answer a fraction of the cost of treatment and the rest would still be shouldered out of the personnel's pocket. This is especially alarming considering a full-time lecturer classified as Instructor 1 in a state university usually only receives salary equivalent to Salary Grade 12 or around Php22,938 per month.

The strain of hundreds of thousands of pesos in hospital bills and their meager salaries would definitely take a toll on their standard of living and

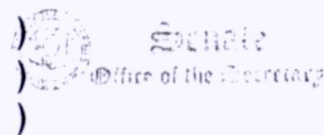
quality of life. An emergency of this sort may possibly even put them into enormous amounts of debt.

This bill seeks to provide faculty members and regular non-teaching personnel of SUCs with free mandatory health coverage provided by health maintenance organizations (HMOs). Under this bill, the Board of Regents of each SUC has the authority to decide on the form, coverage and terms of the HMO plan without any need of approval from other agencies and/or officers.

A free HMO coverage will not only increase the job satisfaction among SUC personnel, it will also ensure that a healthy pool of faculty and non-teaching personnel will be able to continuously and rigorously teach and shape the minds of younger generations.

The immediate passage of this bill is earnestly sought.

  
SENATOR JOEL VILLANUEVA



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UNIVERSITIES AND COLLEGES 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 “Free Health Card  
2    for all State Universities and Colleges (SUC) Personnel Act.”  
3  
4    **SEC. 2. Declaration of Policy.** – It is hereby the policy of the State to give  
5    priority to education, science and technology, arts, culture, and sports to  
6    foster patriotism and nationalism, accelerate social progress, and promote  
7    total human liberation and development. It is also the policy of the State to  
8    assign the highest budgetary priority to education and ensure that teaching  
9    will attract and retain its rightful share of the best available talents through  
10    adequate remuneration and other means of job satisfaction and fulfillment.  
11    Towards this end, the State shall establish a In order to protect the welfare of  
12    teaching and non-teaching personnel, the State shall establish mandatory  
13    HMO coverage to augment their healthcare coverage in case of health-related  
14    contingencies.  
15  
16    **SEC. 3. Mandatory HMO Coverage.** – All SUCs shall provide mandatory  
17    Health Maintenance Organization (HMO) coverage to all full-time faculty and  
18    regular non-teaching personnel of State Universities and Colleges (SUCs).  
19    For this purpose, the Board of Regents of each SUC shall have the discretion  
20    to decide the form, coverage, and terms of the services to be provided by an  
21    HMO.  
22

1 Notwithstanding anything to the contrary, the approval and implementation of  
2 the mandatory HMO coverage provided under this Act shall not require any  
3 approval from other agencies or officials.  
4

5 For the avoidance of doubt, the mandatory HMO coverage provided under  
6 this Act shall be in addition to the existing health care program provided to all  
7 government employees through the Philippine Health Insurance Corporation.  
8

9 **SEC. 4. Appropriations.** – The amounts necessary to carry out the  
10 provisions of this Act shall be included in the annual General Appropriations  
11 Act (GAA) under the budgets of the particular SUCs.  
12

13 **SEC. 5. Separability Clause.** – Any portion or provisions of this Act that may  
14 be declared unconstitutional or invalid shall not have the effect of nullifying  
15 other portions and provisions hereof as long as such remaining portions or  
16 provisions can still subsist and be given effect in their entirety.  
17

18 **SEC. 6. Repealing Clause.** – All laws, decrees, executive orders,  
19 proclamations and administrative regulations, or any parts thereof inconsistent  
20 herewith are hereby revoked, repealed or modified accordingly.  
21

22 **SEC. 7. Effectivity Clause.** – This Act shall take effect fifteen (15) days after  
23 its publication in at least two (2) national papers of general circulation.

24 **Approved,**  
25