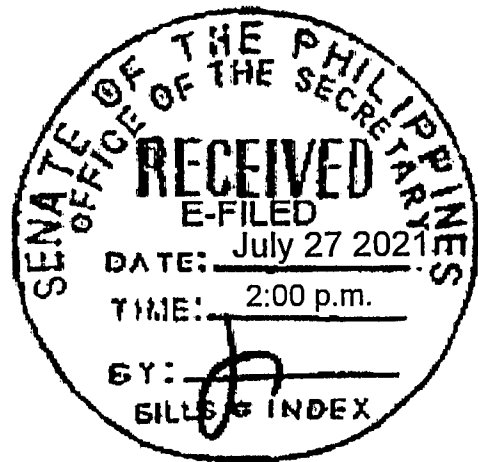


EIGHTEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES )  
*Third Regular Session* )



SENATE

S. No. 2334

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Introduced by Senator Manuel "Lito" M. Lapid

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**AN ACT  
ENHANCING THE PATIENT'S RIGHT TO MEDICAL EXPENSE  
TRANSPARENCY AND PREVENTING UNEXPECTED MEDICAL BILLS, AND  
FOR OTHER PURPOSES**

EXPLANATORY NOTE

In 2019, the Universal Health Care (UHC) Law was signed into law. It guarantees equitable access to quality and affordable health care goods and services as well as protection against financial risk. UHC aims to decrease the out-of-pocket expenses of Filipino families, which means that not everything will be free, although the services will be more affordable.

Despite the existence of this law, the Philippine health care system still has not fully addressed its issue in the medical pricing aspect, such as transparency of medical expenses or bills. Among the medical expenses, out-of-pocket expenditures remain to be the major source of financing for medical care. According to the 2012 Family Income and Expenditure Survey, the out-of-pocket health expenditures increased by 150% from 2000 to 2012. The same push Filipino households into poverty.

Further, most of the Philippine Health Insurance Corporation (PhilHealth)'s coverage and benefits, such as but not limited to room and board, professional healthcare services, diagnostic and other medical examination services, maternity care, use of surgical or medical equipment, and prescription drugs and biologicals, could easily be inflated without price transparency.

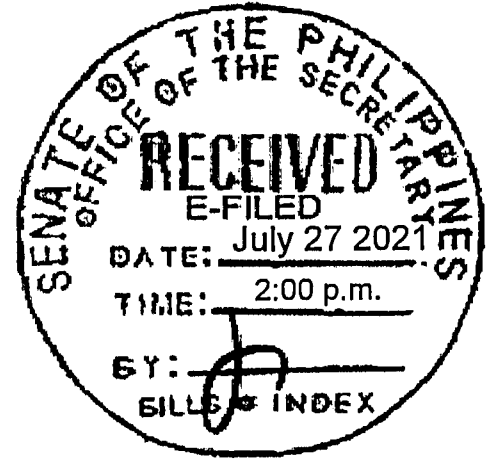
Thus, this bill seeks to prevent unexpected medical bills and inflated out-of-pocket expenses by (1) informing patients about actual prices, (2) requiring health care providers, health insurance issuers and self-insured group health plans to provide information about expected out-of-pocket costs, (3) increasing access to data to make healthcare information more transparent and useful to patients, (4) expanding the ability of consumers to choose healthcare plans, and (5) removing public barriers to price transparency in the healthcare sector.

In view of this, early passage of this bill is sought.



**MANUEL "LITO" M. LAPID**  
*Senator*

EIGHTEENTH CONGRESS OF THE )  
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**AN ACT  
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FOR OTHER PURPOSES**

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

1 Section 1. *Short Title.* – This Act shall be known as the "*Medical Bill*  
2 *Transparency Act*".

3

4 Section 2. *Objective.* – This Act shall aim to enhance the ability of patients to  
5 choose the healthcare that is best for them, by allowing them to make fully informed  
6 decisions about their healthcare, and the price and quality of a good or service in  
7 advance. It shall also be the objective of this Act to help prevent 'surprise billing' or  
8 patients receiving unexpected bills at inflated prices.

9

10 Section 3. *Policy.* – It shall be the policy of the State to ensure that patients  
11 are engaged with their healthcare decisions and have the information requisite for  
12 choosing the healthcare they want and need. The government shall aim to eliminate  
13 unnecessary barriers to price and quality transparency; to increase the availability of  
14 meaningful price and quality information for patients; to enhance patients' control  
15 over their own healthcare resources, including health insurance coverage; and to

1 protect patients from surprise medical bills.

2  
3 Section 4. *Informing Patients about Actual Prices.* – Within sixty (60) days of  
4 the date of this Act, the Secretary of Health shall craft regulations consistent with  
5 applicable law, to require hospitals to publicly post standard charge information,  
6 including charges and information based on negotiated rates and for common or  
7 shoppable items and services, in an easy-to-understand, consumer-friendly, and  
8 machine-readable format using consensus-based data standards that will meaningfully  
9 inform patients’ decision making and allow patients to compare prices across hospitals.

10  
11 The regulation should require the posting of standard charge information for  
12 services, supplies, or fees billed by the hospital or provided by employees of the  
13 hospital. The regulation should also require hospitals to regularly update the posted  
14 information and establish a monitoring mechanism for the Secretary to ensure  
15 compliance with the posting requirement, as needed.

16  
17 The regulation should also require the detailed itemization of actual medical  
18 bills.

19  
20 Section 5. *Transparency in Health Insurance Coverage.* – Within ninety (90)  
21 days of the date of this Act, the Secretaries of Health and Finance shall jointly issue  
22 regulations requiring healthcare providers, health insurance issuers, and self-insured  
23 group health plans to provide or facilitate access to information about expected out-  
24 of-pocket costs for items or services to patients before they receive care.

25  
26 The Secretaries of Health and Finance shall, prior to the issuance of the  
27 regulation, issue an advance notice of proposed rulemaking, consistent with applicable  
28 law, soliciting comment on the proposal.

29  
30 Section 6. *Barriers to Health Transparency.* – Within one hundred and eighty  
31 (180) days from the date of effectivity of this Act, the Secretary of Health, in  
32 consultation with the Department of Trade and Industry, Department of Finance, the

1 Philippine Competition Commission, and other relevant agencies shall issue a report  
2 describing the manners in which government rules and practice, or the private sector,  
3 are impeding healthcare price and quality transparency for patients, and providing  
4 recommendations for eliminating these impediments in a way that promotes  
5 competition.

6  
7 *Section 7. Increasing Access to Data to Make Healthcare Information More*  
8 *Transparent and Useful to Patients.* – Within one-hundred and eighty (180) days of  
9 the date of effectivity of this Act, the Secretary of Health, in consultation with relevant  
10 agencies, shall increase access to claims data from taxpayer-funded healthcare  
11 programs, including those of the Philippine Health Insurance Corporation, for  
12 researchers, innovators, providers, and entrepreneurs, in a manner that is consistent  
13 with applicable law and that ensures patient privacy and security.

14  
15 Access to this data shall be provided in a manner that will facilitate the  
16 development of tools that empower patients to be better informed as they make  
17 decisions related to healthcare goods and services. Access to this data shall also be  
18 provided in a manner that will enable researchers and entrepreneurs to locate  
19 inefficiencies and opportunities for improvement, such as patterns of performance of  
20 medical procedures that are outside the recommended standards of care.

21  
22 As part of this process, the Secretary of Health shall make a list of priority data  
23 sets that, if de-identified, could advance the policies set forth by this Act, and shall  
24 report to the President and to Congress on proposed plans for future release of these  
25 priority datasets and on any barriers to their release.

26  
27 *Section 8. Empowering Patients by Enhancing Control over Their Healthcare*  
28 *Resources.* – Within one-hundred and twenty (120) days of the date of this Act, the  
29 Secretary of Finance, to the extent consistent with law, shall issue guidance to expand  
30 the ability of patients to select health insurance plans that cover low-cost preventive  
31 care and/or medical care that helps maintain health status for individuals with chronic  
32 conditions.

1

2           Section 9. *Addressing Surprise Medical Billing.* – Within one-hundred and  
3 twenty (120) days of the date of this Act, the Secretary of Health shall submit a report  
4 to the President and to Congress on measures that can be taken to address surprise  
5 medical billing.

6

7           Section 10. *Non-Impairment Clause.* – Nothing in this Act shall be construed to  
8 impair or otherwise affect the authority granted by law to an executive department or  
9 agency, or the head thereof; or the functions of the Secretaries of Finance and Budget  
10 and Management relating to budgetary, administrative, or legislative proposals.

11

12           Furthermore, this Act shall be implemented consistent with applicable laws and  
13 subject to the availability of appropriations.

14

15           Section 11. *Separability Clause.* – If any part or provision of this Act is held  
16 invalid or unconstitutional, the remaining parts or provisions not affected shall remain  
17 in full force and effect.

18

19           Section 12. *Repealing Clause.* – All laws, decrees, orders, rules and regulations  
20 inconsistent with the provisions of this Act are hereby repealed or modified  
21 accordingly.

22

23           Section 13. *Effectivity.* – This Act shall take effect fifteen (15) days after its  
24 publication in the *Official Gazette* or in any newspaper of general circulation.

25

26           *Approved,*