

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4192

INTRODUCED BY HONORABLE CARLO LISANDRO L. GONZALEZ

**AN ACT INSTITUTIONALIZING MALASAKIT CENTER TO COMPLEMENT THE
IMPLEMENTATION OF REPUBLIC ACT NO. 11223, OTHERWISE KNOWN AS THE
“UNIVERSAL HEALTH CARE ACT” BY REQUIRING PHILHEALTH TO
ESTABLISH, OPERATE, AND MAINTAIN MALASAKIT CENTERS IN ALL DOH,
LGU, SUC, AND DND HOSPITALS IN THE COUNTRY, PROVIDING FUNDS
THEREFOR, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Whenever a member of a Filipino family gets sick, the entire family pitches in with their time, effort, and money to bring their patient back to health. They pawn or sell their lands, their houses, vehicles, and other valuables, sacrificing assets that can be of use in the future just to be able to afford the cost of health care in the country.

We may talk of universal health care and the availability of hospitals which are free of charge to indigents. However, not all healthcare costs occur in the hospital. More than half of out of pocket expenses of Filipinos for health care in 2017, amounting to Php 186.6 million pesos, went to pharmacies, which are not always covered by government health programs. Another 50.3 billion was spent on ambulatory health care, which is again not always covered. Furthermore, while the costs of health care may force even middle-class families into indigency, they are caught between the inability to afford health care and their lack of qualification for health assistance.

Article XIII, Section 11 of the Constitution mandates the government to ensure that essential goods, health, and other social services must be made available to all Filipinos at affordable cost. It is therefore of utmost importance that we reform the current system and ensure that all Filipinos have a recourse to ease the burden they bear, through no fault of their own.

I ask my colleagues in the House, let us fulfill the mandate of the government. Let us establish the Malasakit Centers. Let us pass this bill.


CARLO LISANDRO L. GONZALEZ



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AN ACT

INSTITUTIONALIZING MALASAKIT CENTERS TO COMPLEMENT THE IMPLEMENTATION OF REPUBLIC ACT NO. 11223 OTHERWISE KNOWN AS THE "UNIVERSAL HEALTH CARE ACT" BY REQUIRING PHILHEALTH TO ESTABLISH, OPERATE AND MAINTAIN MALASAKIT CENTERS IN ALL DOH, LGU, SUC and DND HOSPITALS IN THE COUNTRY, PROVIDING 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 "Malasakit Centers Act of
2 2019."

3 **SEC. 2. Declaration of Policies.** - It is the declared policy of the State to improve the
4 delivery of health care services to the people, and to ensure financial assistance for hospital
5 and medical expenses are available and accessible to the people.

6 **SEC. 3. Definition of Terms.** - For purposes of this Act, the following terms shall
7 mean:

8 (a) *DOH Hospital* refers to a refers to a hospital under the management and administration
9 of the Department of Health (DOH), including the four (4) corporate hospitals under
10 the Secretary of Health, namely: Philippine Heart Center, Lung Center of the
11 Philippines, National Kidney and Transplant Institute and the Philippine Children's
12 Medical Center;

13 (b) *DND Hospital* refers to a hospital managed by the Department of National Defense;

14 (c) *Financial Assistance or Material Assistance* refers to actual cash or check which covers
15 burial, transportation, and other allied assistance given by agencies as mandated by
16 existing laws, rules and regulations to provide such assistance;

17 (d) *Indigent Patient* refers to patient who has no visible means of income, or whose income
18 is insufficient for the subsistence of his/her family, as identified by the Department of

1 Social Welfare and Development (DSWD), LGU social worker or the medical social
2 worker of the health facility;

3 (e) *Local Government Unit (LGU) Hospital* refers to a hospital managed by the local
4 government units, usually the provincial government;

5 (f) *Malasakit Center* refers to a processing center for Philhealth and one-stop shop for
6 Filipinos in need of medical assistance;

7 (g) *Medical Assistance* refers to assistance for out-of-pocket expenditure in form of
8 coupon, stub, guaranty letter, promissory note or voucher that has monetary value,
9 given directly to individual recipients or beneficiaries to address their immediate needs;

10 (h) *Out-of-pocket expenditure* refers to medical and surgical services not currently paid for
11 or sufficiently reimbursed by PhilHealth under Republic Act No. 11223 or the
12 Universal Health Care Act, or other financing sources;

13 (i) **PARTNER HOSPITAL – REFERS TO GOVERNMENT AND PRIVATE
14 HOSPITAL/HEALTH FACILITIES WITH ADEQUATE EXPERTISE,
15 EQUIPMENT AND SUPPORT FACILITIES IN PROVIDING ESSENTIAL
16 MEDICAL HEALTH SERVICES IMPLEMENTING THE MAIP**

17 (j) **PUBLIC ASSISTANCE AND COMPLAINTS DESK REFERS TO A DESK IN
18 THE HOSPITAL THAT IS RESPONSIVE TO CLIENT'S COMPLAINTS AND
19 SUGGESTION.**

20 (k) *Poor Patient* refers to those not classified as indigent but are otherwise considered poor
21 or with financial difficulty to access adequate medical care and/or pay hospital bills
22 because of certain unavoidable circumstances **AS SCREENED AND CERTIFIED BY
23 THE MEDICAL SOCIAL WORKER AND APPROVED BY THE CHIEF OF
24 HOSPITAL WHERE THE PATIENTS AVAILING OF HEALTH SERVICES**, such
25 as but not limited to:

- 26 1. Senior citizens, persons with disability (PWD), orphans, abused women and
27 children as defined by RA 9262 or the Anti-Violence Against Women and Their
28 Children Act of 2004 and RA 7610 or the Special Protection of Children Against
29 Abuse, Exploitation and Discrimination Act;
- 30 2. Patients with catastrophic illness or any illness as a primary condition that is life or
31 limb-threatening and requires prolonged hospitalization, extremely expensive
32 therapies or other special but essential care that would deplete one's financial

- resources, unless covered by special health funding policies;
3. Unemployed or without gainful employment;
 4. Suspected or confirmed victims of torture as defined by Republic Act No.9745 or the Anti-Torture Act of2009;
 5. Soldiers and police rendered disabled to be gainfully employed and their dependents and dependents of soldiers and police killed in action;
 6. Rebel returnees, prisoners of war and their dependents;
 7. Victims of calamities or disasters such as but not limited to typhoons, earthquake, whose place of residence are officially under a state of emergency or calamity; and
- 8. NATIONAL ATHLETES AND COACHES WITH ILLNESS RELATED TO THE CONDUCT OF THEIR PROFESSION PURSUANT TO THE REPUBLIC ACT NO. 10699, INCLUDING PROFESSIONAL BOXERS AND APPLICANTS AS ENDORSED BY THE GAMES AND AMUSEMENT BOARD;**
- 9. PATIENTS IN DOH AND PARTICIPATING LOCAL GOVERNMENT TRCS ON TREATMENT OR REHABILITATION FROM SUBSTANCE ABUSE;**
- 10. CHILDREN WHO HAVE RECEIVED DENGUE VACCINE UNDER THE DOH'S DENGUE IMMUNIZATION PROGRAM**
- 11. REPATRIATED OVERSEAS FILIPINO WORKERS IN NEED OF MEDICAL SERVICES AND ASSISTANCE;**
- 12. PATIENT REFERRED BY DIFFERENT NATIONAL GOVERNMENT AGENCIES SUBJECT TO HOSPITAL ASSESSMENT, EVALUATION AND CLASSIFICATION; AND**
- 13. REFUGEES AND STATELESS PERSONS AS DEFINED BY 1951 CONVENTION RELATING TO THE STATUS OF REFUGEES AND 1954 CONVENTION RELATING TO THE STATUS OF STATELESS PERSONS AND THEIR RESPECTIVE PROTOCOLS.**

(1) SUC Hospital refers to hospitals managed by State Universities and Colleges.

SEC. 4. *Malasakit Centers.*—To complement the implementation of Republic Act No.

11223, otherwise known as the Universal Health Care Act, there shall be established a Malasakit Center in each DOH, LGU, DND and SUC hospital in the country which shall serve as (a) processing center for all Philhealth concerns regarding coverage, billing, health benefits packages, patient navigation and referral to the health care provider network, and (b) one-stop

1 shop medical assistance to cover out-of-pocket medical expenses of indigent and poor patients.

2 **(C) FINANCIAL ASSISTANCE FOR HOSPITALIZED INDIGENT AND POOR**
3 **PATIENTS**

4 **(D) HEALTH COMPLAINTS DESK ASSISTANCE.**

5 The Philhealth shall administer and manage the Malasakit Centers in close coordination
6 with the DOH and DSWD. Each Malasakit Center shall consist of duly designated
7 representatives from the Philhealth, DOH, DSWD and **HOSPITAL/HEALTH FACILITIES**
8 with the following delegation of functions:

- 9 1. The Philhealth representative shall be in charge of the over-all operation of the
10 Malasakit Center. He/she shall assist and process the concerns of both direct and
11 indirect contributors to Philhealth regarding the implementation of Republic Act No.
12 11223, including but not limited to coverage, billing, health benefits packages,
13 financial concerns. The Philhealth representative shall also assist in
14 patient navigation and referral to the health care provider network;
- 15 2. The DOH representative shall be in charge of providing medical assistance to
16 indigent and poor patients; and
- 17 3. The DSWD representative shall be in charge of providing financial or direct
18 assistance to indigent and poor patients.

19 **4. THE HOSPITAL/HEALTH FACILITIES SHALL POSITION THE PUBLIC**
20 **ASSISTANCE AND COMPLAINTS DESK (PACD) TO PROVIDE**
21 **ASSISTANCE TO PATIENTS WHO HAVE QUERIES AND COMPLAINTS IN**
22 **HOSPITAL SERVICES.**

23 **SEC 5. Provision of Medical Assistance.** –The DOH shall provide medical assistance to
24 indigent and poor patients through the Malasakit Center which shall be charged from the annual
25 appropriation of the DOH for assistance to indigent patients. The DOH may also augment
26 medical assistance using the following sources;

- 27 a) Other appropriations earmarked by national government agencies and local
28 government units purposely for medical assistance to indigent and poor patients:
29 Provided, that appropriations earmarked for a specific hospital shall only be used for
30 that specific hospital; and
- 31 b) Donations and grants-in-aid: Provided, that donations and grants donated for a
32 specific hospital shall only be used for that specific hospital: Provided further, that the
33 donations and grants shall only be used for the purpose specified by the donor.

1 The DOH shall issue guidelines for the proper implementation of the medical assistance
2 to indigent and poor patients which shall include order of charging from the aforementioned
3 sources of financing, availment procedures, transfer and release of funds, recording and
4 reporting, monitoring and evaluation, partnerships with private hospitals, among others.

5 The DOH shall make a quarterly report to the Office of the President and Congress
6 regarding the expenditures or disbursement of the medical assistance to indigent and poor
7 patients.

8

9 **SEC 6. Medical Assistance.** - The Medical Assistance shall cover for medical and
10 surgical services not currently paid for or sufficiently reimbursed by PhilHealth in accordance
11 with Republic Act No. 11223 or other financing sources, and shall be used for the following
12 drugs, medicines, goods and other services prescribed by the physician of the health facility
13 such as but not limited to:

- 14 a. Laboratory, imaging and all other diagnostic procedures;
- 15 b. Drugs and medicines included in the Philippine National Drug Formulary
16 (exemptions to be cleared by Pharmaceutical Division);
- 17 c. Supplies, orthopedic/assistive devices, prosthesis, blood and blood products;
- 18 d. Dental services, except those that are for aesthetic purpose and not medically
19 indicated;
- 20 e. All clinically indicated medical and surgical procedures, whether emergency or
21 elective;
- 22 f. Prescribed post-hospitalization rehabilitation services, aftercare program,
23 appropriate mental and psychological support, including those done on an outpatient
24 basis;
- 25 g. In case of non-availability of clinically indicated drugs, medicines, tests, services or
26 procedures in government health facilities, the concerned government health facility
27 may enter into contract with DOH-accredited private health facility to provide the
28 needed drug, test, service or procedure to the patient, charged against the DOH
29 hospital;
- 30 h. All hospital bills including professional fees, provided that the expenses for
31 professional fees shall not exceed fifty percent (50%) of the approved assistance; and
- 32 i. All other medical, health, documentary and related services billed by the hospital.

33 *Provided*, that medical assistance to patients shall be based on need as recommended by
34 the medical social worker attending physician, approved by the Chief of Hospital/Medical

1 Center Chief of the institution involved and DOH authorized officials, subject to availability
2 of funds.

3

4 **SEC. 7. Provision of Financial Assistance.** -The DSWD shall provide financial
5 assistance through the Malasakit Center to indigent and poor patients, individuals in emergency
6 situations, under distress or are in need of supplemental financial support due to health or
7 medical conditions, sickness or disease; funeral and burial concerns, which also includes the
8 most direct and economical transportation expense to or from place of residence or specific
9 destination.

10 The provision of financial assistance through Malasakit Centers shall be charged to the
11 annual appropriation of the DSWD for assistance to individuals and families in difficult
12 circumstances. The DSWD shall issue policies and guidelines on the release of such assistance
13 for the proper implementation of the program.

14

15 **SEC. 8. Establishment of Malasakit Centers.** -The Philhealth and DOH shall, in the
16 establishment of the Malasakit Centers, undertake consultations with all DOH, LGU, DND and
17 SUC hospitals; Provided that in the establishment of the Malasakit Centers, highest priority
18 shall be given to those economically depressed areas or provinces.

19 Within three (3) years from the effectivity of this Act, the Philhealth and DOH shall
20 establish Malasakit Centers down to the Primary and Secondary Care level to help facilitate
21 the adoption of appropriate health seeking behaviors, assist primary care providers in
22 encouraging medical consultation at the health centers, monitor patient compliance, and ensure
23 proper patient referral and availment of benefits.

24 Private hospitals are hereby encouraged to establish Malasakit Centers. The Philhealth
25 and DOH may enter into a Memorandum of Agreement with private hospitals for the
26 establishment of Malasakit Centers which shall cater indigent and poor patients of the private
27 hospital.

28

29 **SEC 9. DIVISION UNIT/S. - THE PUBLIC ASSISTANCE UNIT (PAU) IS HEREBY
30 RECLASSIFIED AND CONVERTED TO A DIVISION TO BE HEADED BY A DIVISION
31 HEAD AND ASSISTED BY OTHER OFFICERS AND STAFF AND SHALL PROVIDE
32 THE DEPARTMENT WITH EFFECTIVE AND EFFICIENT SERVICES. THE
33 DIVISION SHALL MANAGE THE NATIONWIDE MEDICAL ASSISTANCE
34 FUNDS/PROGRAMS, UNDERTAKES NATIONWIDE COORDINATION WITH**

1 ***DIFFERENT PARTNER AGENCIES/OFFICES AND STAKEHOLDERS AND SERVES***
2 ***AS COMPLAINTS CENTER FOR HEALTH.***

3
4 ***THE DIVISION SHALL SUBMIT A QUARTERLY UTILIZATION REPORT TO THE***
5 ***SECRETARY, COPIES OF WHICH SHALL BE MADE AVAILABLE TO CONGRESS.***

6
7 ***SEC. 10. Donations from Non-Governmental Organizations and the Private Sector.*** -The
8 DOH may solicit and receive donations from the private sector for medical assistance to
9 indigent and poor patients. Such donations shall be exempt from income or donor's tax and all
10 other taxes, fees and charges imposed by the government: Provided, That donations from the
11 private sector for a particular hospital shall only be used for the benefit of the patients of the
12 particular hospital: Provided further, That the donations and grants shall only be used for the
13 purpose specified by the donor. As such, the donor may send his or her representatives to the
14 Malasakit Center for the provision of the medical assistance donated by the donor in the
15 particular hospital.

16
17 Receipts from donations, whether in cash or in kind, shall be accounted for in the books
18 of the DOH in accordance with accounting and auditing rules and regulations. The receipts
19 from cash donations and proceeds from sale of donated commodities shall be deposited with
20 the National Treasury and recorded as a special account in the General Fund and shall be
21 available to the DOH through a special budget pursuant to Section 35, Chapter 5, Book VI of
22 Executive Order No. 292. Donations with a term not exceeding one (1) year shall be treated as
23 trust receipts.

24
25 The DOH shall submit the quarterly reports of all donations received, whether in cash
26 or in kind, and expenditures or disbursements thereon with electronic signature to the DBM,
27 through the Unified Reporting System, and to the Speaker of the House of Representatives, the
28 President of the Senate of the Philippines, the House Committee on Appropriations, the Senate
29 Committee on Finance and the Commission on Audit, by posting such reports on the DOH
30 website for a period of three (3) years. The head of the DOH shall send written notice to the
31 said offices when said reports have been posted on its website which shall be considered the
32 date of submission.

33
34 ***SEC 11. Appropriations.*** - The amount necessary to establish Malasakit Centers shall

1 be included in the General Appropriations Act. Additionally, there shall be an annual
2 appropriation for the assistance to indigent patients under the DOH specifically for medical
3 assistance to indigent and poor patients as provided for in Section 5 of this Act, and an annual
4 appropriation for assistance to individuals and families in difficult circumstances under the
5 DSWD budget for financial assistance to indigent and poor patients as provided for in Section
6 7 of this Act.

7

8 **SEC 12. Implementing Rules and Regulations.** - Within ninety (90) days from the
9 approval of this Act, Philhealth, DOH, DSWD, in coordination with Department of Interior
10 and Local Government shall jointly issue the implementing rules and regulations of this Act.

11 **SEC. 13. Separability Clause.** -Any portion or provision of this Act that is declared
12 unconstitutional shall not have the effect of nullifying other portions or provisions hereof as
13 long as such remaining portions can still subsist and be given effect in their entirety.

14

15 **SEC. 14. Repealing Clause.** - All laws, ordinances, rules, regulations, other issuances
16 or parts thereof, which are inconsistent with this Act, are hereby repealed or modified
17 accordingly.

18

19 **SEC. 15. Effectivity.**-This Act shall take effect fifteen (15) days after its publication in
20 the *Official Gazette* or in a newspaper of general circulation.

Approved,