



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2511

Introduced by **REPRESENTATIVE JOEL MAYO Z. ALMARIO**

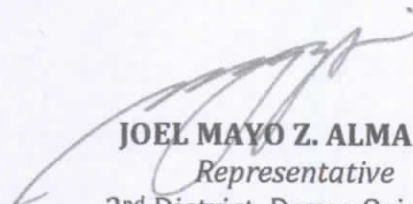
EXPLANATORY NOTE

President Rodrigo Roa Duterte, on February 2019 signed into law Republic Act No. 11223 otherwise known as the Universal Health Care (UHC) Act that automatically enrolls all Filipinos in the National Health Insurance Program. Through this, all patients are given access to health care via Philippine Health Insurance (PhilHealth) financing and Department of Health (DOH) population-based services.

However, despite all the foreseen benefits of UHC Act, the families of poor and indigent patients still account for the lion's share of medical expenses. In a survey released by the DOH in 2016 and similarly by the Philippine Statistics Authority in 2017, it was shown that out-of-pocket expenses amounted to 54 – 55% of healthcare spending. As a result, the underprivileged seek medical treatment only when their illnesses are at its most damaging – sometimes incurable stage.

This bill seeks to address this situation by institutionalizing Malasakit Centers in all Department of Health (DOH), Local Government Units (LGU), Department of National Defense (DND) and State Universities and College (SUC) Hospitals. Through this measure, medical and financial assistance will be given to cover out-of-pocket expenditures of indigent and poor patients including non-medical expenses like transportation costs.

Support for this bill is earnestly sought.


JOEL MAYO Z. ALMARIO
Representative

2nd District, Davao Oriental



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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

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

8

9 **SECTION 3. Definition of Terms** - For purposes of this Act, the following terms
10 shall mean:

11

12 (a) *DOH Hospital* - refers to a refers to a hospital under the management
13 and administration of the Department of Health (DOH), including the
14 four (4) corporate hospitals under the Secretary of Health, namely:
15 Philippine Heart Center, Lung Center of the Philippines, National

1 Kidney and Transplant Institute and the Philippine Children's Medical
2 Center;

3
4 (b) *DND Hospital* - refers to a hospital managed by the Department of
5 National Defense;

6
7 (c) *Financial Assistance or Material Assistance* - refers to actual cash or
8 check which covers burial, transportation, and other allied assistance
9 given by agencies as mandated by existing laws, rules and regulations
10 to provide such assistance;

11
12 (d) *Indigent Patient* - refers to patient who has no visible means of
13 income or whose income is insufficient for the subsistence of his/her
14 family as identified by the Department of Social Welfare and
15 Development (DSWD), LGU social worker or the medical social worker
16 of the health facility;

17
18 (e) *Local Government Unit (LGU) Hospital* - refers to a hospital managed
19 by the local government units, usually the provincial government;

20
21 (f) *Malasakit Center* - refers to a processing center for PhilHealth and
22 one-stop-shop for Filipinos in need of medical assistance;

23
24 (g) *Medical Assistance* - refers to assistance for out-of-pocket
25 expenditure in form of coupon, stub, guaranty letter, promissory note
26 or voucher that has monetary value, given directly to individual
27 recipients or beneficiaries to address their immediate needs;

28
29 (h) *Out-of-pocket expenditure* - refers to medical and surgical services
30 not currently paid for or sufficiently reimbursed by PhilHealth under
31 Republic Act No. 11223 otherwise known as the Universal Health Care
32 Act, or other financing sources;

1 (i) *Poor Patient* - refers to those not classified as indigent but are
2 otherwise considered poor or with financial difficulty to access
3 adequate medical care and/or pay hospital bills because of certain
4 unavoidable circumstance, such as but not limited to:

- 5
- 6 I. Senior citizens, persons with disability (PWD), orphans,
7 abused women and children as defined by RA 9262 or the
8 Anti-Violence Against Women and Their Children Act of
9 2004 and RA 7610 or the Special Protection of Children
10 Against Abuse, Exploitation and Discrimination Act;
11
- 12 II. Patients with catastrophic illness or any illness as a primary
13 condition that is life or limb-threatening and requires
14 prolonged hospitalization, extremely expensive therapies or
15 other special but essential care that would deplete one's
16 financial resources, unless covered by special health funding
17 policies;
18
- 19 III. Unemployed or without gainful employment;
20
- 21 IV. Suspected or confirmed victims of torture as defined by
22 Republic Act No. 9745 or the Anti-Torture Act of 2009;
23
- 24 V. Soldiers and police rendered disabled to be gainfully
25 employed and their dependents and dependents of soldiers
26 and police killed in action;
27
- 28 VI. Rebel returnees, prisoners of war and their dependents;
29
- 30 VII. Victims of calamities or disasters such as but not limited to
31 typhoons, earthquake, whose place of residence are officially
32 under a state of emergency or calamity.
33

(j) *SUC Hospital* - refers to hospitals managed by State Universities and Colleges.

SECTION 4. Malasakit Center - 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-shop medical assistance to cover out-of-pocket medical expenses of indigent and poor patients.

The PhilHealth shall administer and manage the Malasakit Centers in close coordination with the DOH and DSWD. Each Malasakit Center shall consist of duly designated representatives from the PhilHealth, DOH and DSWD with the following delegation of functions:

- I. The PhilHealth representative shall be in charge of the over-all operation of the Malasakit Center. He/she shall assist and process the concerns of both direct and indirect contributors to PhilHealth regarding the implementation of Republic Act No. 11223, including but not limited to coverage, billing, health benefits packages, financial concerns. The PhilHealth representative shall also assist in patient navigation and referral to the health care provider network;
- II. The DOH representative shall be in charge of providing medical assistance to indigent and poor patients; and
- III. The DSWD representative shall be in charge of providing financial or direct assistance to indigent and poor patients.

SECTION 5. Provision of medical assistance - The DOH shall provide medical assistance to indigent and poor patients through the Malasakit Center which shall

1 be charged from the annual appropriation of the DOH for assistance to indigent
2 patients.

3
4 The DOH may also augment medical assistance using the following sources:

5 a) Other appropriations earmarked by national government agencies and local
6 government units purposely for medical assistance to indigent and poor patients:
7 *Provided*, That appropriations earmarked for a specific hospital shall only be used
8 for that specific hospital; and b) Donations and grants-in-aid: *Provided*, That
9 donations and grants donated for a specific hospital shall only be used for that
10 specific hospital: *Provided further*, That the donations and grants shall only be
11 used for the purpose specified by the donor.

12
13 The DOH shall issue guidelines for the proper implementation of the
14 medical assistance to indigent and poor patients which shall include order of
15 charging from the aforementioned sources of financing, availment procedures,
16 transfer and release of funds, recording and reporting, monitoring and evaluation,
17 partnerships with private hospitals, among others.

18
19 The DOH shall make a quarterly report to the Office of the President and
20 Congress regarding the expenditures or disbursement of the medical assistance to
21 indigent and poor patients.

22
23 **SECTION 6. Medical assistance** - The Medical Assistance shall cover medical and
24 surgical services not currently paid for or sufficiently reimbursed by PhilHealth in
25 accordance with Republic Act No. 11223 or other financing sources, and shall be
26 used for the following drugs, medicines, goods and other services prescribed by
27 the physician of the health facility such as but not limited to:

28
29 a. Laboratory, imaging and all other diagnostic procedures;

30
31 b. Drugs and medicines included in the Philippine National Drug Formulary
32 (exemptions to be cleared by Pharmaceutical Division);

- 1 c. Supplies, orthopedic/assistive devices, prosthesis, blood and blood
2 products;
3
4 d. Dental services, except those that are for aesthetic purpose and not
5 medically indicated;
6
7 e. All clinically indicated medical and surgical procedures, whether
8 emergency or elective;
9
10 f. Prescribed post-hospitalization rehabilitation services, aftercare
11 program, appropriate mental and psychological support, including those
12 done on an outpatient basis;
13
14 g. In case of non-availability of clinically indicated drugs, medicines, tests,
15 services or procedures in government health facilities, the concerned
16 government health facility may enter into contract with DOH-accredited
17 private health facility to provide the needed drug, test, service or
18 procedure to the patient, charged against the DOH hospital;
19
20 h. All hospital bills including professional fees, provided that the expenses
21 for professional fees shall not exceed fifty percent (50%) of the approved
22 assistance; and
23
24 i. All other medical, health, documentary and related services billed by the
25 hospital. *Provided;* That medical assistance to patients shall be based on
26 need as recommended by the medical social worker attending physician,
27 approved by the Chief of Hospital/Medical Center Chief of the institution
28 involved and DOH authorized officials, subject to availability of funds.
29

30 **SECTION 7. Provision of medical assistance** - The DSWD shall provide financial
31 assistance through the Malasakit Center to indigent and poor patients, individuals
32 in emergency situations, under distress or are in need of supplemental financial
33 support due to health or medical conditions, sickness or disease; funeral and

1 burial concerns, which also includes the most direct and economical
2 transportation expense to or from place of residence or specific destination.

3
4 The provision of financial assistance through Malasakit Centers shall be
5 charged to the annual appropriation of the DSWD for assistance to individuals and
6 families in difficult circumstances. The DSWD shall issue policies and guidelines
7 on the release of such assistance for the proper implementation of the program.

8
9 **SECTION 8. Establishment of malasakit centers** - The PhilHealth and DOH shall,
10 in the establishment of the Malasakit Centers, undertake consultations with all
11 DOH, LGU, DND and SUC hospitals; *Provided*, That in the establishment of the
12 Malasakit Centers, highest priority shall be given to those economically-depressed
13 areas or provinces.

14
15 Within three (3) years from the effectivity of this Act, the PhilHealth and
16 DOH shall establish Malasakit Centers down to the Primary and Secondary Care
17 level to help facilitate the adoption of appropriate health seeking behaviors, assist
18 primary care providers in encouraging medical consultation at the health centers,
19 monitor patient compliance, and ensure proper patient referral and availment of
20 benefits.

21
22 Private hospitals are hereby encouraged to establish Malasakit Centers.
23 The PhilHealth and DOH may enter into a Memorandum of Agreement with
24 private hospitals for the establishment of Malasakit Centers which shall cater to
25 indigent and poor patients of the private hospital.

26
27 **SECTION 9. Donations from non-governmental organizations and the**
28 **private sector** - The DOH may solicit and receive donations from the private
29 sector for medical assistance to indigent and poor patients. Such donations shall
30 be exempt from income or donor's tax and all other taxes, fees and charges
31 imposed by the government: *Provided*, That donations from the private sector for
32 a particular hospital shall only be used for the benefit of the patients of the
33 particular hospital: *Provided further*, That the donations ang grants shall only be

1 used for the purpose specified by the donor. As such, the donor may send his or
2 her representatives to the Malasakit Center for the provision of the medical
3 assistance donated by the donor in the particular hospital. Receipts from
4 donations, whether in cash or in kind, shall be accounted for in the books of the
5 DOH in accordance with accounting and auditing rules and regulations. The
6 receipts from cash donations and proceeds from sale of donated commodities
7 shall be deposited with the National Treasury and recorded as a special account
8 in the General Fund and shall be available to the DOH through a special budget
9 pursuant to Section 35, Chapter 5, Book VI of Executive Order No. 292.

10 Donations with a term not exceeding one (1) year shall be treated as trust receipts.
11 The DOH shall submit the quarterly reports of all donations received, whether in
12 cash or in kind, and expenditures or disbursements thereon, with electronic
13 signature to the DBM, through the Unified Reporting System, and to the Speaker
14 of the House of Representatives, the President of the Senate of the Philippines, the
15 House Committee on Appropriations, the Senate Committee on Finance and the
16 Commission on Audit, by posting such reports on the DOH website for a period of
17 three (3) years. The head of the DOH shall send written notice to the said offices
18 when said reports have been posted on its website which shall be considered the
19 date of submission.

20

21 **SECTION 10. Appropriations** - The amount necessary to establish Malasakit
22 Centers shall be included in the General Appropriations Act. Additionally, there
23 shall be an annual appropriation for the assistance to indigent patients under the
24 DOH specifically for medical assistance to indigent and poor patients as provided
25 for in Section 5 of this Act, and an annual appropriation for assistance to
26 individuals and families in difficult circumstances under the DSWD budget for
27 financial assistance to indigent and poor patients as provided for in Section 7 of
28 this Act.

29

30 **SECTION 11. Implementing rules and regulations** - Within ninety (90) days
31 from the approval of this Act, PhilHealth, DOH, DSWD, in coordination with
32 Department of Interior and Local Government shall jointly issue the implementing
33 rules and regulations of this Act.

1 **SECTION 12. Separability clause** - Any portion or provision of this Act that is
2 declared unconstitutional shall not have the effect of nullifying other portions or
3 provisions hereof as long as such remaining portions can still subsist and be given
4 effect in their entirety.

5
6 **SECTION 13. Repealing clause** - All laws, ordinances, rules, regulations, other
7 issuances or parts thereof, which are inconsistent with this Act, are hereby
8 repealed or modified accordingly.

9
10 **SECTION 14. Effectivity** - This Act shall take effect fifteen (15) days after its
11 publication in the Official Gazette or in a newspaper of general circulation.

12
13 *Approved.*

A handwritten signature in green ink, consisting of a series of loops and a long horizontal stroke, positioned to the right of the 'Approved.' text.