

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3651



Introduced by: Hon. Angelina "Helen" D.L. Tan, M.D.

AN ACT
ESTABLISHING MALASAKIT CENTERS IN ALL GOVERNMENT HOSPITALS,
STREAMLINING ACCESS TO MEDICAL AND FINANCIAL ASSISTANCE FUNDS, AND
APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

This bill is being filed in support of the speedy passage of Senator Christopher Lawrence "Bong" T. Go's Senate Bill No. 199, which seeks to institutionalize "Malasakit Centers" to complement the implementation of Republic Act No. 11223, otherwise known as the "Universal Health Care Act".

In 2018, a one-stop shop dubbed as "Malasakit Center" was launched by the government in the Vicente Sotto Memorial Medical Center (VSMMC) in Cebu City. Seen to effectively ease the process of availing government services for patients, more Malasakit Centers were established. By the first half of 2019, there were about 34 Malasakit Centers all over the country today.

Malasakit Centers serve as house desks for representatives from the Department of Health (DOH), Department of Social Welfare and Development (DSWD), Philippine Health Insurance Corporation (PhilHealth) and Philippine Charity Sweepstakes Office (PCSO).

With the enactment of Republic Act No. 11223 or the "Universal Health Care (UHC) Act", every Filipino citizen is automatically included in the National Health Insurance Program. Even in anticipation of how UHC will bring about a dramatic change in how patients can more freely access individual health care through secured health financing through PhilHealth and more effective and efficient implementation of public health programs by the DOH for population-based services for the community, the challenge remains in how we can close the gap between indigent, marginalized families and those who can afford availing of basic and specialty medical services in both the outpatient clinics and the hospital in-patient setting.

The benefits under the UHC rely on health benefits package as determined by the PhilHealth. As such, out-of-pocket expenditures may still arise if the benefit packages are not enough to cover the medical needs of indigent and poor patients. In 2017, despite the safety nets of PhilHealth, out-of-pocket payment accounted for 55% of health expenditures, according to the Philippine Statistics Authority.

This proposed measure intends to reduce, if not eliminate, out-of-pocket expenditures of indigent and financially incapacitated patients including non-medical expenses like transportation costs. Malasakit Centers will also be a Health System Enabler to improve assessment for patient assistance and referral to provide much needed system support for patient navigation.

This bill seeks to establish, maintain and operate Malasakit Centers in all government hospitals in the country. The PhilHealth representative shall be in charge of assisting and processing the concerns of both direct and indirect contributors to PhilHealth regarding the implementation of the UHC law, which may include concerns on coverage,

billing, health benefits packages, among others. The DOH, PhilHealth and PCSO representatives shall be in charge of providing medical assistance, while the DSWD and LGU representatives will be providing medical and financial assistance. Through the establishment of Malasakit Centers, we can deliver basic services to those who are most in need and in the most efficient, responsive and sustainable manner.

In view of the foregoing, immediate approval of this bill is earnestly sought.



ANGELINA "HELEN" D.L. TAN, M.D.
4th District, Quezon

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

SECTION 1. *Short Title.* - This Act shall be known as the "Malasakit Centers Act."

SEC. 2. *Declaration of Policies.* - It is the policy of the State to protect and promote the right to health of all Filipinos and instill health consciousness among them. Towards this end, the State shall:

(a) Adopt a multi-sectoral approach in addressing health issues and affirm the inherently integrated and indivisible linkages between health and social services consistent with the whole-of-government framework of Republic Act No. 11223, otherwise known as the "Universal Health Care (UHC) Act";

(b) Hasten the delivery of a people-oriented health services and ensure that financial assistance for hospital and medical expenses are available and accessible at all times; and

(c) Provide free health care services to indigents and financially incapacitated patient.

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

(a) *Financial Assistance* refers to actual cash, check, coupons, guaranties, or instruments of similar nature to cover burial, transportation, food, accommodation, and other allied services;

(b) *Financially incapacitated patient* refers to those who are not classified as indigent but demonstrates clear inability to pay or spend for necessary expenditures for his/her medical treatment, such as but not limited to:

1. Senior citizens, persons with disability (PWD), orphans, abused women and children as defined by Republic Act No. 9262, otherwise known as the "Anti-Violence Against Women and Their Children Act of 2004" and Republic Act No. 7610, otherwise known as the "Special Protection of Children Against Abuse, Exploitation and Discrimination Act";

2. Patients with catastrophic illness or any illness, which is life or limb-threatening and requires prolonged hospitalization, extremely expensive therapies or other special but essential care that would deplete one's financial resources;

3. Unemployed or without gainful employment;

4. Suspected or confirmed victims of torture as defined by Republic Act No. 9745, otherwise known as the "Anti-Torture Act of 2009";

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;

8. Other persons suffering financial difficulties caused by unavoidable circumstances.

(c) *Government hospitals* refer to health facilities owned by a government agency which includes Department of Health (DOH)-retained hospitals, Philippine National Police (PNP) hospitals, Department of National Defense (DND) hospitals, State Universities and Colleges (SUCs) hospitals, local government unit (LGU) hospitals, corporate-specialty or specialty hospitals;

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

(e) *Medical Assistance* refers to actual cash, check, coupons, guaranties, or instruments of similar nature assistance to cover medical and surgical services as enumerated under Section 8 of this Act.

(f) *Non-medical expense* refers to costs incurred by a patient in availing health services, outside the actual costs of medical care, which may include transportation costs, accommodation, and food, among others;

(g) *Out-of-pocket expenditure* refers to medical and surgical services not currently paid for or sufficiently reimbursed by PhilHealth under the UHC law, or other financing sources; and

SEC. 4. *Establishment of Malasakit Centers.* – A "Malasakit Center" is hereby established in all government hospitals, which shall act as a one-stop shop for all indigent and financially incapacitated patients needing medical and financial assistance. It shall be established within the premises and under the administrative jurisdiction of the hospital where the various funding sources shall be housed in one area to streamline the availment of funding assistance of patients.

Within six (6) months from the effectivity of this Act, Malasakit Centers shall be established in all government hospitals. The existing Malasakit Centers shall continue to operate subject to the provisions of this Act.

SEC. 5. *Functions of the Malasakit Centers.* – Malasakit Centers shall have the following functions:

(a) Facilitate the processing of all concerns regarding Philhealth coverage and availment of health benefit packages;

(b) Provide medical or financial assistance to cover out-of-pocket medical expenses of indigent and financially incapacitated patients through the agencies enumerated under Section 7 of this Act; and

(c) Provide patient navigation and referral to the health care provider network;

(d) Perform such other tasks as may be necessary to carry out its purpose of assisting indigent and financially incapacitated patients.

SEC. 6. *Role Delineation of Agencies.* – The respective roles and functions of agencies involved in the implementation of this Act are as follows:

(a) Department of Health

(1) Act as the coordinating and supervising body for all the agencies involved in the establishment and operation of the Malasakit Centers. It shall monitor and assess the progress of the Malasakit Centers, which shall be included in its annual report submitted to Congress;

(2) Assign DOH representatives to the Malasakit Centers;

(3) Train, supervise and monitor all DOH representatives involved in the implementation of this Act; and

(4) Facilitate the provision of medical assistance to indigent and financially incapacitated patients.

(b) PhilHealth

(1) Assist and process the concerns of all PhilHealth members;

(2) Provide necessary assistance in patient navigation and referral to the health care provider network; and

(3) Assign PhilHealth representatives to the Malasakit Centers; and

(4) Train, supervise and monitor all PhilHealth representatives involved in the implementation of this Act

(c) Department of Social Welfare and Development

(1) Provide medical and financial assistance to indigent and financially incapacitated patients;

(2) Assign DSWD representatives to the Malasakit Centers; and

(3) Train, supervise and monitor all DSWD representatives involved in the implementation of this Act

(d) Philippine Charity and Sweepstakes Office

(1) Provide medical or financial assistance to indigent and financially incapacitated patients;

(2) Assign PCSO representatives to the Malasakit Centers; and

(3) Train, supervise and monitor all PCSO representatives involved in the implementation of this Act

(e) Local government units

(1) Provide medical or financial assistance to indigent and financially incapacitated patients;

(2) Assign LGU representatives to the Malasakit Centers;

(3) Train, supervise and monitor all LGU representatives involved in the implementation of this Act

(f) Government hospitals

(1) Provide an appropriate space for the Malasakit Center within its premises including supplies and materials, equipment and property required for its operation and maintenance;

(2) Take charge in the administration, operation, control and maintenance of the Malasakit Center;

(3) Coordinate with the different agencies involved in the Malasakit Center;

(4) Ensure that patients are given adequate health services;

(5) Appoint such other personnel as may be necessary for the effective operation of the Malasakit Center;

(6) Institute measures necessary for the effective and efficient operation of the Malasakit Center

SEC. 7. Availment of Services. – Indigent and financially incapacitated patients of government hospitals shall be eligible to avail of the services of the Malasakit Center. *Provided,* That Prior to availment of services, the hospital social worker shall assess the patient's eligibility and provide such patient with complete information on the availment of service and assistance from various funding sources.

The Malasakit Center shall ensure that indigent and financially incapacitated patients will not incur out-of-pocket expenses and facilitate provision of services by utilizing the various medical and financial assistance available for patients.

The DOH, in close coordination with concerned agencies, shall issue guidelines for the proper implementation of the medical and financial assistance to indigent and financially incapacitated patients, which shall include the order of charging from the following: PhilHealth, private health insurance, PCSO, DOH, hospital, DSWD, and LGUs; availment procedures, transfer and release of funds, recording and reporting, monitoring and evaluation, among others.

SEC 8. Coverage of Medical Assistance. – The medical assistance shall cover medical and surgical services not currently paid for or sufficiently reimbursed by PhilHealth in accordance with the UHC law or other financing sources, and shall be used for the following:

a. Laboratory, imaging and all other diagnostic procedures;

b. Drugs and medicines;

c. Supplies, orthopedic/assistive devices, prosthesis, blood and blood products;

d. Dental services, except those that are for aesthetic purpose and not medically indicated;

e. Medical and surgical procedures;

f. Prescribed post-hospitalization rehabilitation services, aftercare program,

appropriate mental and psychological support, including those done on an outpatient basis;

g. All hospital bills including professional fees; and

h. All other medical, health, documentary and related services billed by the hospital.

Provided, That in case of non-availability of clinically indicated drugs, medicines, tests, services or procedures in government health facilities, the concerned government hospital may enter into contract with DOH-accredited private health facility to provide the needed drug, test, service or procedure to the patient, charged against the hospital.

SEC. 9. *Provision of Financial Assistance.* - The DSWD and LGUs shall provide medical and financial assistance through the Malasakit Center to indigent and financially incapacitated patients, which shall include assistance for the most direct and economical transportation costs to or from place of residence or specific destination, accommodation and food expenses, funeral and burial expenses, and other allied services in accordance with the guidelines issued by the DOH.

SEC. 10. *Participation of Private Hospitals.* - All private hospitals are hereby encouraged to establish Malasakit Centers. The DOH may enter into a Memorandum of Agreement with private hospitals for the establishment of Malasakit Centers which shall cater to indigent and financially incapacitated patients of the private hospital.

SEC. 11. *Donations.* - The DOH may solicit and receive donations from the private sector for medical assistance to indigent and financially incapacitated patients. Such donations shall be exempt from income or donor's tax and all other taxes, fees and charges imposed by the government: *Provided*, That donations from the private sector for a particular hospital shall only be used for the benefit of the patients of the particular hospital: *Provided, further*, That the donations and grants shall only be used for the purpose specified by the donor.

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

The DOH shall submit the quarterly reports of all donations received, whether in cash or in kind, and expenditures or disbursements thereon with electronic signature to the Department of Budget and Management, through the Unified Reporting System, and to the Speaker of the House of Representatives, the President of the Senate of the Philippines, and the Commission on Audit. Such reports shall be posted on the DOH website for a period of three (3) years.

SEC. 12. *Annual Report.* - The DOH shall submit to the Senate Committee on Health and Demography and the House of Representatives Committee on Health on or before the end of December of every year, or upon the request of any of the aforesaid committees of Congress, a report giving a detailed account of the status of the implementation of this Act.

SEC 13. *Appropriations.* - The amount necessary to establish Malasakit Centers shall be included in the General Appropriations Act.

SEC 14. *Implementing Rules and Regulations.* - Within ninety (90) days from the approval of this Act, DOH, in coordination with concerned agencies, shall issue the

implementing rules and regulations of this Act.

SEC. 15. *Separability Clause.* - Any portion or provision of this Act that is declared unconstitutional shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portions can still subsist and be given effect in their entirety.

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

SEC. 17. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,