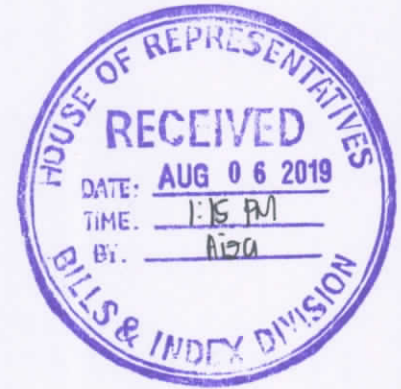


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )



HOUSE OF REPRESENTATIVES

H. B. No. **3486**

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INTRODUCED BY REPRESENTATIVE FERDINAND L. HERNANDEZ

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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

EXPLANATORY NOTE

Healthcare should be accessible for all Filipinos. At present, however, it is not uncommon for indigent patients or their relatives to knock on the doors of various government agencies to avail of financial assistance to help cover for their medical expenses. However, a number of indigent Filipinos, specifically those living in far-flung provinces and do not have the financial means to travel and personally request for medical assistance, cannot readily avail of the help that these agencies provide.

On 20 February 2019, Republic Act (R.A.) No. 11223, otherwise known as the "Universal Health Care Act," was enacted and every Filipino citizen was automatically included into National Health Insurance Program.

The benefits of R.A. No. 11223 rely on health benefits package as determined by the Philippine Health Insurance Corporation (PhilHealth), and indigent Filipinos may still incur expenditures if the benefit packages are not enough to cover their medical needs. Furthermore, the challenge remains in how the benefits under R.A. No. 11223, as well as

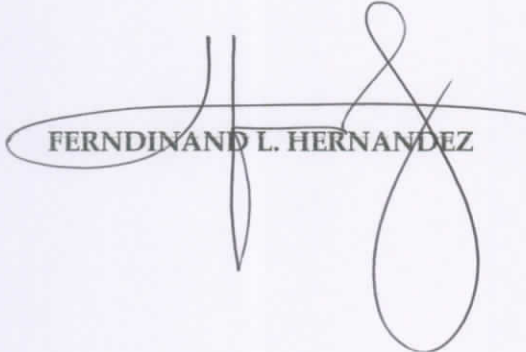
those provided by various government agencies, may be made readily available for the benefit of every Filipino, especially in favor of our indigent citizens.

In 2018, a one-stop shop called the "Malasakit Center" was launched by the government in the Vicente Sotto Memorial Medical Center in Cebu City. Seen as an effective measure that eased the process of availing government services for indigent patients, more Masakit Centers were established. By the first half of 2019, there were about thirty four (34) Malasakit Centers all over the country.

This proposed legislation, which is authored by Senator Christopher "Bong" Go in the Senate, intends to complement R.A. No. 11223 by establishing, maintaining, and operating Malasakit Centers in government-owned and operated hospitals, effectively introducing an additional means to reduce, if not eliminate, the out-of-pocket expenditures that may be incurred by indigent Filipinos seeking for medical assistance.

Furthermore, this proposed increase in the number of Malasakit Centers is also aimed at improving the assessment of the needs of each indigent patient as well as provide the proper medical referrals so that each patient shall receive proper medical assistance.

In light of the foregoing, the immediate enactment of this proposed legislation is sought.



FERNDINAND L. HERNANDEZ

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

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

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

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



- 1 (c) *Financial Assistance or Material Assistance* refers to actual cash or check which covers  
2 burial, transportation, and other allied assistance given by agencies as mandated by  
3 existing laws, rules and regulations to provide such assistance;
- 4 (d) *Indigent Patient* refers to patient who has no visible means of income, or whose  
5 income is insufficient for the subsistence of his/her family, as identified by the  
6 Department of Social Welfare and Development (DSWD), LGU social worker or the  
7 medical social worker of the health facility;
- 8 (e) *Local Government Unit (LGU) Hospital* refers to a hospital managed by the local  
9 government units, usually the provincial government;
- 10 (f) *Malasakit Center* refers to a processing center for Philhealth and one-stop shop for  
11 Filipinos in need of medical assistance;
- 12 (g) *Medical Assistance* refers to assistance for out-of-pocket expenditure in form of  
13 coupon, stub, guaranty letter, promissory note or voucher that has monetary value,  
14 given directly to individual recipients or beneficiaries to address their immediate  
15 needs;
- 16 (h) *Out-of-pocket expenditure* refers to medical and surgical services not currently paid for  
17 or sufficiently reimbursed by PhilHealth under Republic Act No. 11223 or the  
18 Universal Health Care Act, or other financing sources;
- 19 (i) *Poor Patient* refers to those not classified as indigent but are otherwise considered  
20 poor or with financial difficulty to access adequate medical care and/or pay hospital  
21 bills because of certain unavoidable circumstance, such as but not limited to:
- 22 1. Senior citizens, persons with disability (PWD), orphans, abused women and  
23 children as defined by RA 9262 or the Anti-Violence Against Women and Their  
24 Children Act of 2004 and RA 7610 or the Special Protection of Children Against  
25 Abuse, Exploitation and Discrimination Act;
  - 26 2. Patients with catastrophic illness or any illness as a primary condition that is life  
27 or limb-threatening and requires prolonged hospitalization, extremely expensive  
28 therapies or other special but essential care that would deplete one's financial  
29 resources, unless covered by special health funding policies;
  - 30 3. Unemployed or without gainful employment;
  - 31 4. Suspected or confirmed victims of torture as defined by Republic Act No.9745 or

1 the Anti-Torture Act of 2009;

2 5. Soldiers and police rendered disabled to be gainfully employed and their  
3 dependents and dependents of soldiers and police killed in action;

4 6. Rebel returnees, prisoners of war and their dependents;

5 7. Victims of calamities or disasters such as but not limited to typhoons,  
6 earthquake, whose place of residence are officially under a state of emergency or  
7 calamity; and

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

9  
10 **SEC. 4. *Malasakit Centers.*** – To complement the implementation of Republic Act  
11 No. 11223, otherwise known as the Universal Health Care Act, there shall be established a  
12 *Malasakit Center* in each DOH, LGU, DND and SUC hospital in the country which shall  
13 serve as (a) processing center for all Philhealth concerns regarding coverage, billing, health  
14 benefits packages, patient navigation and referral to the health care provider network, and  
15 (b) one-stop shop medical assistance to cover out-of-pocket medical expenses of indigent  
16 and poor patients.

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

- 21 1. The Philhealth representative shall be in charge of the over-all operation of the  
22 *Malasakit Center*. He/she shall assist and process the concerns of both direct and  
23 indirect contributors to Philhealth regarding the implementation of Republic Act  
24 No. 11223, including but not limited to coverage, billing, health benefits packages,  
25 financial concerns. The Philhealth representative shall also assist in  
26 patient navigation and referral to the health care provider network;
- 27 2. The DOH representative shall be in charge of providing medical assistance to  
28 indigent and poor patients; and
- 29 3. The DSWD representative shall be in charge of providing financial or direct  
30 assistance to indigent and poor patients.

1       **SEC 5. *Provision of Medical Assistance.*** – The DOH shall provide medical assistance  
2 to indigent and poor patients through the Malasakit Center which shall be charged from the  
3 annual appropriation of the DOH for assistance to indigent patients. The DOH may also  
4 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

9       b) Donations and grants-in-aid: Provided, That donations and grants donated for a  
10 specific hospital shall only be used for that specific hospital: Provided further, That  
11 the donations and grants shall only be used for the purpose specified by the donor.  
12

13       The DOH shall issue guidelines for the proper implementation of the medical  
14 assistance to indigent and poor patients which shall include order of charging from the  
15 aforementioned sources of financing, availment procedures, transfer and release of funds,  
16 recording and reporting, monitoring and evaluation, partnerships with private hospitals,  
17 among others.  
18

19       The DOH shall make a quarterly report to the Office of the President and Congress  
20 regarding the expenditures or disbursement of the medical assistance to indigent and poor  
21 patients.  
22

23       **SEC 6. *Medical Assistance.*** – The Medical Assistance shall cover for 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 used for the  
26 following drugs, medicines, goods and other services prescribed by the physician of the  
27 health facility such as but not limited to:

- 28       a. Laboratory, imaging and all other diagnostic procedures;  
29       b. Drugs and medicines included in the Philippine National Drug Formulary  
30       (exemptions to be cleared by Pharmaceutical Division);  
31       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. All clinically indicated medical and surgical procedures, whether emergency or elective;
- f. Prescribed post-hospitalization rehabilitation services, aftercare program, appropriate mental and psychological support, including those done on an outpatient basis;
- g. In case of non-availability of clinically indicated drugs, medicines, tests, services or procedures in government health facilities, the concerned government health facility 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 DOH hospital;
- h. All hospital bills including professional fees, provided that the expenses for professional fees shall not exceed fifty percent (50%) of the approved assistance; and
- i. All other medical, health, documentary and related services billed by the hospital.

*Provided, That medical assistance to patients shall be based on need as recommended by the medical social worker attending physician, approved by the Chief of Hospital/Medical Center Chief of the institution involved and DOH authorized officials, subject to availability of funds.*

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

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

1  
2       **SEC. 8. *Establishment of Malasakit Centers.*** - The Philhealth and DOH shall, in the  
3 establishment of the Malasakit Centers, undertake consultations with all DOH, LGU, DND  
4 and SUC hospitals; Provided, That in the establishment of the Malasakit Centers, highest  
5 priority shall be given to those economically-depressed areas or provinces.  
6

7       Within three (3) years from the effectivity of this Act, the Philhealth and DOH shall  
8 establish Malasakit Centers down to the Primary and Secondary Care level to help facilitate  
9 the adoption of appropriate health seeking behaviors, assist primary care providers in  
10 encouraging medical consultation at the health centers, monitor patient compliance, and  
11 ensure proper patient referral and availment of benefits.  
12

13       Private hospitals are hereby encouraged to establish Malasakit Centers. The  
14 Philhealth and DOH may enter into a Memorandum of Agreement with private hospitals  
15 for the establishment of Malasakit Centers which shall cater indigent and poor patients of  
16 the private hospital.  
17

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

27       Receipts from donations, whether in cash or in kind, shall be accounted for in the  
28 books of the DOH in accordance with accounting and auditing rules and regulations. The  
29 receipts from cash donations and proceeds from sale of donated commodities shall be  
30 deposited with the National Treasury and recorded as a special account in the General Fund  
31 and shall be available to the DOH through a special budget pursuant to Section 35, Chapter



1 5, Book VI of Executive Order No. 292. Donations with a term not exceeding one (1) year  
2 shall be treated as trust receipts.

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

11  
12 **SEC 10. Appropriations.** - The amount necessary to establish Malasakit Centers shall  
13 be included in the General Appropriations Act. Additionally, there shall be an annual  
14 appropriation for the assistance to indigent patients under the DOH specifically for medical  
15 assistance to indigent and poor patients as provided for in Section 5 of this Act, and an  
16 annual appropriation for assistance to individuals and families in difficult circumstances  
17 under the DSWD budget for financial assistance to indigent and poor patients as provided  
18 for in Section 7 of this Act.

19  
20 **SEC 11. Implementing Rules and Regulations.** - Within ninety (90) days from the  
21 approval of this Act, Philhealth, DOH, DSWD, in coordination with Department of Interior  
22 and Local Government shall jointly issue the implementing rules and regulations of this Act.

23  
24 **SEC. 12. Separability Clause.** - Any portion or provision of this Act that is declared  
25 unconstitutional shall not have the effect of nullifying other portions or provisions hereof as  
26 long as such remaining portions can still subsist and be given effect in their entirety.

27 **SEC. 13. Repealing Clause.** - All laws, ordinances, rules, regulations, other issuances  
28 or parts thereof, which are inconsistent with this Act, are hereby repealed or modified  
29 accordingly.

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

*Approved,*