

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

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL No. 6722

Introduced by AKO BICOL Party-List
Rep. ALFREDO A. GARBIN, JR.



EXPLANATORY NOTE

Republic Act No. 11223 or the "Universal Health Care Act" declares the State's Policy of ensuring that all Filipinos are covered by the Government's Health Care Insurance Program (HCIP or Philhealth). Section 5 of the law categorically provides that "every single Filipino citizen shall be automatically included into the NHIP¹". This is in line with the constitutional mandate to protect and promote the right to health of all Filipinos.²

Evidently, the end goal and be all of the law is to ensure that every Filipino, employed or unemployed, will have access to the benefits provided by Philhealth.

Indeed, this policy is laudatory as it is necessary. Thus, the aforementioned law institutionalized the membership of the "indirect contributors" or those whose premiums are subsidized by the government.³

In order to meet the actuarial requirements of the Philhealth, Section 10 of the law provided a graduated scale for premium payments of direct contributors. Direct contributors are those who have the capacity to pay premiums, are gainfully employed and are bound by an employer-employee relationship, or are self-earning professional practitioners, migrant workers including their qualified dependents, and lifetime members.⁴

The declared policy and the definition of direct contributors, as currently crafted by law, however, failed to recognize a very significant distinction between those who are bound by an employer - employee relationship and those who are self - earning professional practitioners, on one hand, and migrant workers/OFWs, on the other. It failed to recognize that migrant workers/OFWs, who are normally outside the Philippines, rarely enjoy the benefits of the government's health care program.

¹ National Health Insurance Program

² Article 2, Par. 15, 1987 Constitution

³ Section 4 (o)

⁴ Section 4 (f)

Furthermore, under the first classification, for those who are employed, premium contributions are shared by the employer and the employee on an equal basis. Self-employed professionals, meanwhile, are able to reap the benefits from their membership in the health care program because they reside in the Philippines.

On the other hand, however, for the second classification, the entire premium contribution is shouldered by the migrant workers/OFWs. This is exacerbated by the aforementioned reality of non-enjoyment of benefits while abroad, more so, because most of them pays similar insurance premiums in the respective territories where they are employed or are otherwise residing.

Nonetheless, while Philhealth membership may not be important to the migrant workers/OFWs at the moment, surely they will benefit once they are residing in the Philippines or have already retired.

Fairly recently, the Philhealth issued Circular No. 2020-0014 dated 2 April 2020 which increased the premium payments of OFWs whose monthly income ranged from P10,000.00 to P60,000.00 of their monthly salary starting this year. The circular also states that from 1 January 2021, the minimum acceptable initial payment is a three-month premium, based on the prescribed rate at the time of payment.

The subsequent publication of the Philhealth Circular was met with a steady uproar and opposition from the OFWs and even from other government officials. This was to be expected considering the financial burden it imposes and in consideration of the reality that few migrant workers/OFWs actually benefit from Philhealth coverage while abroad.

As a remedial measure, the government announced that: a) Philhealth membership will become voluntary for OFWs; b) Suspension of the provision of the universal Health Care Act which authorizes the increase in premium payments; and c) Directive that Philhealth payment will not be a requirement for issuance of Overseas Employment Certificate.

It is respectfully submitted, however, that the foregoing measures are not enough and may in fact be ultra vires because it contravene some provisions of the Universal Health Care Act.

Thus, as an alternative, and as a legislative correction to the unintended inequality resulting from the Universal Health Care Act, and to ensure that all Filipinos, who desires to be covered by the health program, are covered, it is respectfully proposed that the same be amended by institutionalizing, by way of legislative fiat, the remedial measures earlier proposed by the government.

The approval of this bill is earnestly sought.



Rep. Alfredo A. Garbin, Jr.
Ako Bicol Party-List

**AN ACT AMENDING REPUBLIC ACT NO. 11223 OTHERWISE KNOWN
AS THE "UNIVERSAL HEALTH CARE ACT"**

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

Section 1. Section 4 of Republic Act No. 11223 is hereby amended to read as follows:

"Section 4. Definition of Terms. - As used in this Act:

Xxx

(f) Direct contributors refer to those who have the capacity to pay premiums, are gainfully employed and are bound by an employer-employee relationship, or are self-earning, professional practitioners, ~~migrant workers~~, including their qualified dependents, and lifetime members;

Xxx

(o) Offshore contributors refer to Filipino migrant workers or Overseas Filipino Workers (OFWs);

~~(o)~~-(p) Indirect contributors refer to all others not included as direct contributors, as well as their qualified dependents, whose premium shall be subsidized by the national government including those who are subsidized as a result of special laws;

~~(p)~~ (q) Individual-based health services refer to services which can be accessed within a health facility or remotely that can be definitively traced back to one (1) recipient, has limited effect at a population level and does not alter the underlying cause of illness such as ambulatory and inpatient care, medicines, laboratory tests and procedures, among others;

~~(q)~~ (r) Population-based health services refer to interventions such as health promotion, disease surveillance, and vector control, which have population groups as recipients;

~~(r)~~ (s) Primary care refers to initial-contact, accessible, continuous, comprehensive and coordinated care that is accessible at the time of

need including a range of services for all presenting conditions, and the ability to coordinate referrals to other health care providers in the health care delivery system, when necessary;

~~(s)~~ (t) Primary care provider refers to a health care worker, with defined competencies, who has received certification in primary care as determined by the Department of Health (DOH) or any health institution that is licensed and certified by the DOH;

~~(t)~~ (u) Private health insurance refers to coverage of a defined set of health services financed through private payments in the form of a premium to the insurer; and

~~(u)~~ (v) Unethical act refers to any action, scheme or ploy against the NHIP, such as overbilling, upcoding, harboring ghost patients or recruitment practice, or any act contrary to the Code of Ethics of the responsible persons profession or practice, or other similar, analogous acts that put or tend to put in disrepute the integrity and effective implementation of the NHIP."

Section 2. Section 5 of Republic Act No. 11223 is hereby amended to read as follows:

"Section 5. Population Coverage. - Every Filipino citizen, except those who are classified as offshore contributors, shall be automatically included into the NHIP, hereinafter referred to as the Program. Offshore contributors shall become members on a voluntary basis pursuant to the provisions of existing laws, rules and regulations."

Section 3. Section 10 of Republic Act No. 11223 is hereby amended to read as follows:

"SEC. 10. Premium Contributions. - For direct contributors, premium rates shall be in accordance with the following schedule, and monthly income floor and ceiling:

Xxx

Provided that, the premium contributions for offshore contributors shall be fifty percent (50%) of the applicable premium rates. The fifty percent

(50%) balance shall be for the account of and shall be similarly subsidized by the government.

Provided further, that for indirect contributors and offshore contributors, premium subsidy shall be gradually adjusted and included annually in the General Appropriations Act (GAA): Xxx”

Section 4. Section 38 of Republic Act No. 11223 is hereby amended to read as follows:

“Section 38. Penal Provisions. - Any violation of the provisions of this Act, after due notice and hearing, shall suffer the corresponding penalties as herein provided:

Xxx

(f) It is unlawful for any government office, agency or official to deprive an offshore contributor of any and all permits to work abroad on the basis of failure to pay or remit premium contribution to the Philhealth.

Xxx”

Section 5. The provisions in pertinent laws and implementing rules and regulations and other issuances inconsistent with this Act are hereby repealed or modified accordingly.

Section 6. This Act shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation.

Approved,