

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 105

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

AN ACT
INSTITUTIONALIZING THE "NO BALANCE BILLING POLICY" IN ALL
ACCREDITED HEALTH CARE INSTITUTIONS AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The 1987 Philippine Constitution provides that: "The State shall adopt an integrated and comprehensive approach to health development, which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the under-privileged, sick, elderly, disabled, women, and children. The State shall endeavor to provide free medical care to paupers" (Article XIII, Sec. 11).

Republic Act 7875 as amended by Republic Act 9241 stated that, "the National Health Insurance Program shall provide all citizens the mechanisms to gain financial access to health services, in combination with other government health programs. The NHIP shall give the highest priority to achieving coverage of the entire population....xxs"

It also emphasizes the need to "prioritize and accelerate the provision of health services to all Filipinos, especially that segment of the population who cannot afford such services". Section 7 of the law provides that "all indigents not enrolled in the Program shall have priority in the use and availment of the services and facilities of government hospitals....Provided, however that such government health care providers shall ensure that said indigents shall subsequently be enrolled in the Program" [Section 3 (c)].

In 2011, the Philippine Health Insurance Corporation (PhilHealth) has implemented case based payment scheme which offers a more predictable and equitable benefit payment based on patients' medical condition. With this, the No Balance Billing (NBB) Policy was introduced for the most common medical and surgical conditions experienced in the country. The policy provides that no other fees or expenses shall be charged or be paid for by the indigent patients above and beyond the packaged rates.

Along these lines, this bill seeks to institutionalize the abovementioned twin policies of the government with the end in view of providing long-term optimal financial risk protection to the most vulnerable groups, especially the poorest of the poor and as part of the government's effort to attain the universal health coverage for all Filipinos

In view thereof, approval of this bill is earnestly requested.

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

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

SECTION 1. *Title.* – This Act shall be known as the “No Balance Billing Act.”

SEC. 2. *Declaration of Policy.* – As provided in the Constitution of the Republic of the Philippines, it is the declared policy of the State to adopt an integrated and comprehensive approach to health development, which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the underprivileged, sick, elderly, disabled, women and children. Consistent with these constitutional principles, this Act shall recognize the rights of the most vulnerable groups including the poorest of the poor for the provision of a comprehensive health care including drugs and medicines, supplies, or diagnostic procedures which shall be provided to them and their dependents at no added cost.

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

(a) Case rate refers to the fixed rate or amount that the Philippine Health Insurance Corporation will reimburse for a specific illness/case, which shall cover for the fees of health care professionals, and all facility charges including, but not limited to, room and board, diagnostics and laboratories, drugs, medicines and supplies, operating room fees and other fees and charges;

(b) Health care institutions refer to all levels of hospitals and other health facilities including ambulatory surgical clinics, freestanding dialysis clinics, infirmaries, dispensaries, birthing homes, and Directly Observed Treatment Strategy or DOTS Centers accredited by the Philippine Health Insurance Corporation;

(c) National Health Insurance Program refers to the social health insurance program implemented by the Philippine Health Insurance Corporation as mandated by Republic Act No. 7875 as amended by Republic Act No. 9241 which seeks to provide health insurance coverage and ensure affordable, acceptable, available, accessible, and quality health care services for all citizens of the Philippines;

(d) No Balance Billing refers to the government policy that no other fees or expenses shall be charged or paid for by the Sponsored Program members of the Philippine Health Insurance Corporation patient-member above and beyond the packaged rates; and

(e) Sponsored member refers to a member whose contribution is being paid by another individual, government agency, or private entity.

SEC. 4. *Institutionalization of the “No Balance Billing Policy”.* - For purposes of providing optimal financial risk protection to the most vulnerable groups including the poorest of the poor, the “No Balance Billing Policy” of the government, hereafter referred to as the “NBB Policy”, is hereby institutionalized in all accredited government health care institutions for all case-based payments and covered benefits that shall be specified for the purpose by the Department of Health, hereafter referred to as the Department, and subject to conditions that it shall prescribe.

Accordingly, in pursuit of achieving the intents of the National Health Insurance Program, claims for medical conditions and procedures shall be paid by the Philippine Health Insurance Corporation using case rates in order to reduce the out-of-pocket expenditures of disadvantaged patients.

The NBB Policy shall likewise be made applicable to all other membership types of the program who shall avail of the maternity care package, newborn care package and such other health services that shall be determined by the Department.

SEC. 5. *Expansion of Priority Conditions and Procedures.* – The Philippine Health Insurance Corporation shall expand the priority conditions and procedures to be packaged into case rates. It shall provide reasonable case rates to ensure that beneficiaries under the policy will get full and quality health services.

SEC. 6. *Augmentation of Reimbursement Rates.* – Funds from the Philippine Charity Sweepstakes Office (PCSO) and the Department of Social Welfare and Development (DSWD) shall be used to augment reimbursement rates for health interventions that require surgery and/or accommodation to intensive care unit, isolation room or other special accommodation or those that are considered as medically difficult and expensive treatment and procedure.

SEC. 7. *Responsibilities of Health Care Institutions.* – Health care institutions shall have the following responsibilities:

- (a) To ensure that utmost quality of healthcare is provided to qualified NBB members and dependents. They shall provide the most cost-effective clinical approach without compromising the quality of care;
- (b) To ensure access that all qualified NBB members and dependents shall receive the basic necessities and comfort each patient must receive;
- (c) To give NBB patients preferential access to their social welfare funds;
- (d) To be responsible and accountable for the care of patients and in achieving the best outcome. They shall extend all medical and financial support to qualified NBB members and dependents. They shall not deny access to health services whenever necessary;
- (e) To ensure the delivery of utmost quality of care and provide complete medical and non-medical care including but not limited to drugs, supplies, diagnostics and other necessary medical services such as the provision of adequate patients' meals based on prescribed therapeutic diet, nutritional status and dietary requirements to achieve the best possible outcome;
- (f) To provide NBB patients appropriate accommodation such as intensive care unit, isolation room, recovery room and other special accommodation if necessary. In cases where a ward type accommodation is not available, patients shall be provided the next higher accommodation available.
- (g) To ensure that there shall always be an available health care professional to manage the patient at no added cost.
- (h) To exclusively bear the cost of acquisition of medications, diagnostics and supplies that are not available inside the facility. Sourcing outside the facility shall only be made as a last resort when all other possible sourcing options have been exhausted.

SEC. 8. *Incentives for Private Health Care Institutions Implementing the NBB Policy.* – The Department shall coordinate, facilitate and encourage the participation of accredited private health care institutions in the implementation of the NBB policy. This shall be achieved through the provision of appropriate incentives, enabling mechanisms and conducive environment for their participation.

SEC. 9. *Information Dissemination.* – All qualified NBB members and dependents shall be given thorough and appropriate orientation regarding the case rates and NBB Policy upon admission in the health care institution. This shall be made in collaboration with the concerned personnel of the Philippine Health Insurance Corporation assigned in the facility using Information and Education Campaign materials.

SEC. 10. *Compliance Monitoring and Evaluation.* – The Department, through the Philhealth, shall regularly conduct compliance monitoring and evaluation to the NBB Policy using exit interview, post-audit system, and such other mechanisms that will ensure effective compliance to this Act and its existing rules and regulations.

SEC. 11. *Grievance and Complaints.* – The Department, through the Philippine Health Insurance Corporation, shall establish complaints desks and such other facility to report violations of this Act.

SEC. 12. *Penalties.* – Any health care institution which shall violate any provision of this Act shall suffer a fine of not less than Ten Thousand Pesos (Php10,000) but not more than Fifty Thousand Pesos (Php50,000). For the second conviction, additional penalty of revocation or suspension of accreditation shall be imposed from three (3) months to the whole term of accreditation. For the third conviction, in addition to the aforesaid penalties, suspension or revocation of license to operate at the discretion of the court shall be imposed.

The Secretary of the Department of Health shall have the authority to impose, in a graduated manner, administrative sanctions such as suspension or cancellation of license to operate.

SEC. 13. *Implementing Rules and Regulations.* – The Department of Health, in consultation with the Philippine Health Insurance Corporation, Philippine Medical Association, Philippine Hospital Association, and Private Hospitals Association of the Philippines, shall promulgate the rules and regulations to effectively implement the provisions of this Act.

SEC. 14. *Repealing Clause.* – All laws, orders, proclamations, rules and regulations, or part thereof, which are inconsistent with any provision of this Act are hereby repealed or modified accordingly.

SEC. 15. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,