

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 2451

HOUSE OF REPRESENTATIVES	
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INTRODUCED BY REPRESENTATIVE ARTHUR C. YAP

EXPLANATORY NOTE

This bill seeks to develop and expand public health infrastructure and services in the Philippines, utilizing a portion of the reserve funds of the Philippine Insurance Corporation, or the Philhealth.

This is a re-filing of House Bill No. 204, filed in the Sixteenth Congress by the undersigned. Under this bill, the poorest municipalities and/or barangays, without, or without sufficient, public healthcare infrastructure and services, as determined by the Department of Health, Philhealth and the Department of Interior and Local Government (DILG), shall enjoy priority in the funding. Also, after its construction, the operations of such health facilities shall be operated by the Barangay Government under the joint supervision of the DOH and Philhealth.

It is a conceded fact that there are several gaps in the accessibility of free health care. This is the reality, most especially in the far-flung countryside, wherein there are without or even no functional public health care systems and services. There is a grave need to construct public health care centers and clinics. And, these should be sufficiently equipped, not just with facilities and equipment, but with manpower, properly trained health workers.

Yet, the predicament of scarcity of funding by the National Government always hangs in the air.

Nevertheless, government owned and controlled corporations, like the Philhealth, (which is really owned by its members) can be sought to provide assistance. Philhealth reported a net reserve fund of more than P100 Billion. Fifty percent of this amount would go a long way in developing and

expanding to the poorest of the poor Filipinos free public health infrastructure and services.

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

A stylized, handwritten signature in black ink, consisting of a large, sweeping 'A' followed by a smaller 'C' and 'Y'.

ARTHUR C. YAP
Representative

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AN ACT
DEVELOPING AND EXPANDING PUBLIC HEALTH
INFRASTRUCTURE AND SERVICES, UTILIZING AND
APPROPRIATING A PORTION OF THE RESERVE
FUND OF THE PHILHEALTH FOR THE PURPOSE,
AMENDING SECTION 27 OF REPUBLIC ACT NO. 7875,
OTHERWISE KNOWN AS THE "NATIONAL HEALTH
INSURANCE ACT OF 1995, 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 “Public
2 Health Infrastructure and Services Development and Expansion Act of
3 2016”.

4 **SECTION 2. *Utilization of a Portion of Philhealth Reserve Funds***
5 ***to Fund the Development and Expansion of Public Health Infrastructure***
6 ***and Services.***– Section 27 of Republic Act No. 7875, otherwise known as
7 the "National Health Insurance Act of 1995", is hereby amended to read as
8 follows:

1 **"SECTION 27. *Reserve Fund.*** - The Corporation shall
2 set aside a portion of its accumulated revenues not needed to
3 meet the cost of the current year's expenditures as reserve
4 funds: Provided, That the total amount of reserves shall not
5 exceed a ceiling equivalent to the amount actuarially estimated
6 for ~~[two]~~ **ONE** years' projected Program expenditures:
7 Provided, further, That whenever actual reserves exceed the
8 required ceiling at the end of the Corporation's fiscal year, the
9 Program's benefits shall be increased or member contributions
10 decreased prospectively in order to adjust expenditures or
11 revenues to meet the required ceiling for reserve funds. Such
12 portions of the reserve fund as are not needed to meet the
13 current expenditure obligations shall be invested in short-term
14 investments to earn an average annual income at prevailing
15 rates of interest and shall be known as the "Investment Reserve
16 Fund" which shall be **SET ASIDE TO BE USED FOR THE**
17 **FOLLOWING PURPOSES:**

18 **1. FIFTY PERCENT (50%) OF THIS AMOUNT**
19 **SHALL BE AUTOMATICALLY EARMARKED TO**
20 **AUGMENT THE DEPARTMENT OF HEALTH'S (DOH)**
21 **HEALTH FACILITIES ENHANCEMENT PROGRAM**
22 **FOR THE NEXT FISCAL YEAR AND SHALL BE**
23 **KNOWN AS THE "EXPANDED PUBLIC HEALTH**
24 **CARE INFRASTRUCTURE AND SERVICES FUND."**

1 **THE POOREST MUNICIPALITIES AND/OR**
2 **BARANGAYS, WITHOUT, OR WITHOUT SUFFICIENT,**
3 **PUBLIC HEALTHCARE INFRASTRUCTURE AND**
4 **SERVICES, AS DETERMINED BY THE DOH,**
5 **PHILHEALTH AND THE DEPARTMENT OF**
6 **INTERIOR AND LOCAL GOVERNMENT (DILG),**
7 **SHALL ENJOY PRIORITY IN THE FUNDING.**

8 **AFTER ITS CONSTRUCTION, THE**
9 **OPERATIONS OF SUCH HEALTH FACILITIES SHALL**
10 **BE OPERATED BY THE BARANGAY GOVERNMENT**
11 **UNDER THE JOINT SUPERVISION OF THE DOH AND**
12 **PHILHEALTH.**

13 **2. THE REMAINING FIFTY PERCENT (50%)**
14 **SHALL BE** invested in any or all of the following:

15 xxx

16 **SECTION 3. *Separability Clause.*** - If any provision of this Act, or
17 any part thereof, is declared unconstitutional, the same shall not affect the
18 validity and effectivity of the other portions.

19 **SECTION 4. *Repealing Clause.*** - All laws, executive orders,
20 presidential decrees, proclamations, rules, regulations, issuances and
21 enactments of parts thereof inconsistent with this Act are hereby repealed or
22 modified accordingly.

23 **SECTION 5. *Effectivity.*** - This Act shall take effect fifteen (15) days
24 from its complete publication in the Official Gazette of in a newspaper of
25 general circulation in the Philippines, whichever comes earlier.

APPROVED.