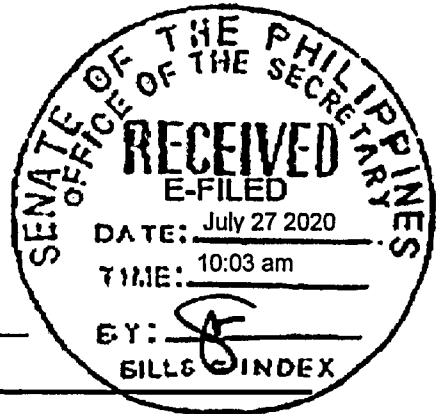


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



SENATE

Proposed Senate Resolution No. 474

Introduced by Senator FRANCIS N. PANGILINAN

RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE WIDESPREAD CORRUPTION IN THE PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH), AS ALLEGED BY A RESIGNED PHILHEALTH OFFICER, FURTHER JEOPARDIZING THE COUNTRY'S HEALTH CARE SYSTEM DURING THE COVID-19 PANDEMIC

WHEREAS, on 23 July 2020, it was reported by various news outlets that an officer of the Philippine Health Insurance Corporation (PhilHealth) resigned after an argument emerged during a virtual meeting among PhilHealth officials which revealed alleged corrupt practices in the agency;

WHEREAS, in his resignation letter addressed to PhilHealth President and Chief Executive Officer Ricardo Morales, Anti-Fraud Legal Officer Thorrrson Montes Keith said he believes "there is widespread corruption in PhilHealth";

WHEREAS, aside from corruption, the Anti-Fraud Legal Officer cited the following reasons for his resignation: (1) he strongly opposed the mandatory payment of PhilHealth contribution by Overseas Filipino Workers (OFWs); (2) there is rampant and patent unfairness in the promotion process; (3) his salary and hazard pay has not been on time and it started when he investigated officers in PhilHealth;

WHEREAS, in a statement on 24 July 2020, PhilHealth denied reports that two other officers resigned over corruption issues in the agency and said the resignation of Head Executive Assistant Etrobal Laborte was due to his graduate studies, while Corporate Legal Counsel Roberto Labe Jr. is said to have "vehemently denied any news of his resignation";

WHEREAS, in the statement, PhilHealth said Keith should "substantiate his accusations so proper procedures can be initiated" and that grievances on promotion could be resolved through the agency's grievance committee;

WHEREAS, the state health insurer has been hounded by allegations of corruption after reports that it has lost P154 billion over the years through various forms of fraud, including overpayments, reimbursements for "ghost dialysis," false claims, and "upcasing" of illnesses. Of said "losses," P102.5 billion was due to overpayment;

WHEREAS, the Commission on Audit (COA) has flagged a proposed P2.1 billion information technology (IT) project of the PhilHealth, supposedly designed to detect fraud and scams, as having several irregularities. In three separate reports, government auditors pointed out that the planned procurement of various equipment worth P734 million was not in the original budget proposal submitted by PhilHealth;

WHEREAS, during a Senate hearing in May 2020, it was revealed that the COVID-19 testing package of PhilHealth is overpriced, leading the state health insurer to lower the rate of the testing package from P8,150.00 to P3,409.00;

WHEREAS, instead of providing funds to health care institutions with numerous COVID-19 patients, PhilHealth allegedly released hundreds of millions of pesos to some unaccredited hospitals with only few COVID-19 patients under the agency's Interim Reimbursement Mechanism (IRM), designed to give advance payment to hospitals all over the country to cover the COVID-19 treatment of its members;

WHEREAS, as the lead agency tasked with the implementation of the National Health Insurance and Universal Health Care programs, it is imperative that PhilHealth operates with credibility and efficiency in managing billions of public funds;

WHEREAS, the alleged corruption in PhilHealth in the middle of the worst health crisis in the country's history indicates a disastrous disregard and dereliction of its duty in ensuring the efficient delivery of health care services, and securing and protecting the Filipinos' health;

WHEREAS, it is vital to determine the causes of the reported leakages and losses, investigate the alleged widespread corruption in PhilHealth, and hold officials accountable, as corrupt practices only disrupt the delivery of health care during the COVID-19 pandemic and worsen its impacts to the detriment of Filipinos;

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved to direct the appropriate Senate committee to conduct an inquiry, in aid of legislation, on the widespread corruption in the Philippine Health Insurance Corporation (PhilHealth), as alleged by a resigned PhilHealth officer, further jeopardizing the country's health care system during the COVID-19 pandemic.

Adopted,


FRANCIS N. PANGILINAN