

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

'22 JUL 12 A10 :35

SENATE
S. No. 335

RECEIVED BY 

Introduced by Senator Grace Poe

AN ACT
GRANTING THE PRESIDENT OF THE PHILIPPINES THE POWER TO SUSPEND
THE SCHEDULED INCREASES IN PHILHEALTH PREMIUM CONTRIBUTION
RATES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 11223,
OTHERWISE KNOWN AS THE "UNIVERSAL HEALTH CARE ACT"

EXPLANATORY NOTE

The Philippine Health Insurance Corporation (PhilHealth), created by virtue of Republic Act No. 7875, as amended, or the National Health Insurance Act, is mandated to administer the country's National Health Insurance Program (NHIP) by providing health insurance coverage and ensuring affordable, available, acceptable and accessible health care services to Filipinos.

The intent to carry out this goal was further strengthened when Republic Act No. 11223 or the Universal Health Care (UHC) Act was signed into law. Under the UHC Act, all Filipino citizens are automatically enrolled in the NHIP. In order to fund this, Section 10 of the Act mandates an increase in membership premium by 0.5% yearly beginning 2021 until it reaches the 5% limit in 2025. Thus, PhilHealth issued Circular No. 2020-005 which provides the schedule of increases in premium contribution to the NHIP pursuant to the UHC Act. However, due to the COVID-19 pandemic, President Rodrigo Duterte ordered PhilHealth to suspend the contribution hike scheduled in January 2021 thereby retaining the current collection at 3%.

The goals of the UHC Act and the NHIP are indeed desirable. However, the country is still recovering from the socio-economic impact of the pandemic, and people

are still adjusting to the new normal. Some have just got back to work or re-opened their business, and are still making ends meet, paying off debts, and struggles alike. An untimely increase will be an additional burden in this financially difficult time.

This measure acknowledges the rationale behind the increase in contribution rates as prescribed by the UHC law. However, it also recognizes the need to suspend the law in times of national emergency, public health crisis, or national calamity. Thus, this bill gives the President of the Philippines the power to suspend the scheduled increases during these eventualities. The increases will then commence accordingly with the lifting of the Presidential declaration. By giving the President the power to suspend the increases in times of need, we are also providing our countrymen a lifeline and support during a difficult time.

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



GRACE POE



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

1 Section 1. *Suspension of PhilHealth Premium Contribution Increase.* – Section
2 1 of Republic Act No. 11223, otherwise known as the "Universal Health Care Act" is
3 hereby amended to read, as follows:

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

Year	Premium Rate	Income Floor	Income Ceiling
2019	2.75%	₱10,000.00	₱50,000.00
2020	3.00%	₱10,000.00	₱60,000.00
2021	3.50%	₱10,000.00	₱70,000.00
2022	4.00%	₱10,000.00	₱80,000.00
2023	4.50%	₱10,000.00	₱90,000.00
2024	5.00%	₱10,000.00	₱100,000.00
2025	5.00%	₱10,000.00	₱100,000.00

7 *Provided,* That for indirect contributors, premium subsidy shall be gradually
8 adjusted and included annually in the General Appropriations Act (GAA): *Provided,*
9 *further,* That the funds shall be released to PhilHealth: *Provided, furthermore,* That

1 the DOH, in coordination with PhilHealth, may request Congress to appropriate
2 supplemental funding to meet targeted milestones of this Act: *Provided, finally,*
3 That for every increase in the rate of contribution of direct contributors and premium
4 subsidy of indirect contributors, PhilHealth shall provide for a corresponding increase
5 in benefits.

6 **IN THE EVENT OF A STATE OF NATIONAL EMERGENCY OR PUBLIC**
7 **HEALTH EMERGENCY, OR STATE OF NATIONAL CALAMITY, THE PRESIDENT**
8 **OF THE PHILIPPINES, UPON RECOMMENDATION OF THE PHILHEALTH**
9 **BOARD AFTER CONSULTATION WITH STAKEHOLDERS, MAY SUSPEND THE**
10 **INCREASE IN PREMIUM CONTRIBUTION RATES PROVIDED UNDER THIS**
11 **SECTION. THE MANDATED INCREASE SHALL BE IMPLEMENTED UPON THE**
12 **LIFTING OF THE STATE OF NATIONAL EMERGENCY, OR PUBLIC HEALTH**
13 **EMERGENCY, OR STATE OF NATIONAL CALAMITY. ALL SUBSEQUENT**
14 **SCHEDULED INCREASES IN CONTRIBUTION RATES SHALL BE**
15 **IMPLEMENTED IN THE SUCCEEDING YEARS ACCORDINGLY."**

16 *Sec. 2. Continuity of Benefits.* – Nothing in this Act shall be construed to
17 eliminate or diminish any benefits or entitlements already granted to members of
18 PhilHealth.

19 *Sec. 3. Repealing Clause.* – All laws, ordinances, rules, regulations, other
20 issuances, or parts thereof, which are inconsistent with this Act, are hereby repealed
21 or modified accordingly.

22 *Sec. 4. Separability Clause.* – If any provision or section of this Act is held to
23 be unconstitutional or invalid, the other provisions or sections hereof, which are not
24 affected thereby shall continue to be in full force and effect.

25 *Sec. 5. Effectivity Clause.* – This Act shall take effect fifteen (15) days following
26 its publication in the Official Gazette or in a newspaper of general circulation in the
27 Philippines.

Approved,