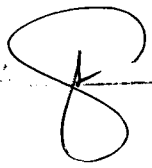


NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

23 AUG 23 A10 :55

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SENATE
S. No. 2424

Introduced by Senator MANUEL "LITO" M. LAPID

AN ACT
INCREASING THE REPRESENTATION OF FILIPINO MIGRANT WORKERS IN
THE BOARD OF DIRECTORS OF THE PHILIPPINE HEALTH INSURANCE
CORPORATION TO TWO (2) PERMANENT MEMBERS, ONE EACH FOR LAND-
BASED AND SEA-BASED FILIPINO MIGRANT WORKERS

EXPLANATORY NOTE

To institute a National Health Program (NHIP) for all Filipinos, Republic Act No. 7875 was passed by Congress in 1995 for the purpose, and established the Philippine Health Insurance Corporation (PhilHealth) to administer the program. Its Implementing Rules and Regulations (PhilHealth Board Resolution No. 324-00) categorized Overseas Filipino Workers (OFWs) as 'individually-paying' voluntary members. This law also provided a seat in the corporation's Board of Directors representing the 'labor sector'.

In 2013, Republic Act No. 10606 was enacted amending RA 7875. In this law, the term 'migrant workers' was introduced and defined as 'documented or undocumented Filipinos who are engaged in a remunerated activity in another country of which they are not citizens'. It retained a permanent seat in the Board of Directors for the representative of what it now termed as 'Filipino migrant worker'. Then in 2018, Republic Act No. 11223, also known as the 'Universal Health Care Law', was passed instituting universal health care for all Filipinos and prescribing reforms in the

health care system. Under this law, migrant workers were categorized as 'direct contributors' and their membership in the NHIP has become mandatory.

In 2021, the Philippine Statistics Authority reported that around 1.83 million Filipinos worked in various host countries around the world. Their economic importance to the country is underscored by their record-breaking USD 34.88 billion remittances in 2021, accounting for 8.9% of the country's Gross Domestic Product (GDP) in the same year. Of this amount, roughly 7 billion USD was contributed by sea-based OFWs.

Filipino seafarers or sea-based OFWs as distinguished from their land-based counterparts, is a critical segment of OFWs which offers invaluable services not only to the country's shipping industry but for most maritime companies around the world. According to the Philippine Overseas Employment Administration (POEA), around 229,000 Filipino seafarers are on board merchant shipping vessels and cruise ships around the world at any given time.

In recognition of the distinct and significant contributions of our Filipino seafarers or sea-based OFWs to the economy and to the nation, this bill proposes to increase the representation of Filipino migrant workers in the board of directors of the Philippine Health Insurance Corporation to two (2) permanent members, one for land-based OFWs and another for sea-based Filipino migrant workers, amending for the purpose Section 18 of Republic Act No. 7875, as amended by Republic Act No. 10606.

Representation is at the core of democratic processes and is the link between the representatives and the sectors or interests represented in ensuring that their true sentiments and preferences are adopted in the decision-making processes.

In view of the foregoing, early passage of this bill is earnestly requested.

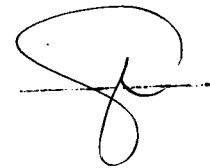

MANUEL "LITO" M. LAPID
Senator

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Introduced by Senator Manuel "Lito" M. Lapid

1 **AN ACT**
2 **INCREASING THE REPRESENTATION OF FILIPINO MIGRANT WORKERS IN**
3 **THE BOARD OF DIRECTORS OF THE PHILIPPINE HEALTH INSURANCE**
4 **CORPORATION TO TWO (2) PERMANENT MEMBERS, ONE EACH FOR LAND-**
5 **BASED AND SEA-BASED FILIPINO MIGRANT WORKERS**

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

6 Section 1. Section 18 of Republic Act No. 7875, otherwise known as the
7 'National Health Insurance Act of 1995', as amended by Republic Act No. 10606, is
8 hereby further amended to read as follows:

9 Section 18. *The Board of Directors.* –

10 (a) *Composition.* – The Corporation shall be governed by a Board of
11 Directors hereinafter referred to as the Board, composed of the following
12 members:

13 The Secretary of Health;

14 The Secretary of Labor and Employment or a permanent representative;

15 The Secretary of the Interior and Local Government or a permanent
16 representative;

17 The Secretary of Social Welfare and Development or a permanent
18 representative;

- 1 The Secretary of Social Welfare and Development or a permanent
2 representative;
- 3 The Secretary of the Department of Finance (DOF) or a permanent
4 representative;
- 5 The President and Chief Executive Officer (CEO) of the Corporation;
- 6 The SSS Administrator or a permanent representative;
- 7 The GSIS General Manager or a permanent representative;
- 8 The Vice Chairperson for the basic sector of the National Anti-Poverty
9 Commission or a permanent representative;
- 10 The Chairperson of the Civil Service Commission (CSC) or a permanent
11 representative;
- 12 A permanent representative of **LAND-BASED** Filipino migrant workers;
- 13 **A PERMANENT REPRESENTATIVE OF SEA-BASED FILIPINO**
14 **MIGRANT WORKERS**
- 15 A permanent representative of the members in the informal economy;
- 16 A permanent representative of the members in the formal economy;
- 17 A representative of employers;
- 18 A representative of health care providers to be endorsed by their national
19 associations of health care institutions and medical health professionals;
- 20 A permanent representative of the elected local chief executives to be
21 endorsed by the League of Provinces, League of Cities and League of
22 Municipalities; and,
- 23 An independent director to be appointed by the Monetary Board.

1 The Secretary of Health shall be the ex officio Chairperson while the
2 President and CEO of the Corporation shall be the Vice Chairperson of
3 the Board. "

4 (b) *Appointment and Tenure.* – Except for *ex officio* members, the other
5 members of the Board shall be appointed by the President of the
6 Philippines in accordance with the provisions of Republic Act No. 10149,
7 otherwise known as the 'GOCC Governance Act of 2011': *Provided,* That
8 sectoral board members shall be appointed by the President of the
9 Philippines upon the recommendation of the Chairperson and after due
10 consultations with the sectors concerned.

11 The term of office of the appointive members of the Board shall be in
12 accordance with Republic Act No. 10149.

13 XXX

14
15 Section 2. *Repealing Clause* - All laws, ordinances, rules, regulations, other
16 issuances or parts thereof, which are inconsistent with this Act, are hereby repealed
17 or modified accordingly.

18 Section 3. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after
19 its publication in the *Official Gazette* or in a newspaper of general circulation.

20 *Approved,*