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COMMITTEE MEETINGS ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Health	HB 7429	Rep. Quimbo	Addressing the social health insurance crisis	<p>The Committee, chaired by Rep. Angelina "Helen" Tan, M.D. (4th District, Quezon), agreed to create a technical working group (TWG) to study and discuss further House Bill 7429.</p> <p>Rep. Tan said the proposed measure is worth pursuing as it aims to improve the operations of the Philippine Health Insurance Corporation (PhilHealth) and make its services more efficient. She said PhilHealth has been the subject of many controversies and issues since 2020 at the onset of the pandemic, which include questionable transactions, mismanagement of public funds, fraudulent claims, and inefficiencies in the processing of COVID-19 related claims. The Chair opined that the bill could help address these issues and concerns.</p> <p>According to Rep. Stella Luz Quimbo (2nd District, Marikina City), author of HB 7429, her bill seeks to grant the President the power to privatize any or all segments of PhilHealth in order to make them more effective, efficient, and innovative in terms of providing social health insurance. She explained that this will enable the President to outsource information technology (IT) projects and tap experts from the private sector.</p> <p>The bill also seeks to create a Joint Executive-Legislative Social Health Insurance Crisis Commission which shall design the policy framework and carry out all the necessary steps to reorganize PhilHealth. Rep. Quimbo said the Commission shall be tasked to designate or hire the services of a Transition Management Team, to be chosen through competitive selection, which will assume the management of PhilHealth until the latter's reorganization to be completed within two years.</p> <p>Under the bill, the Transition Management Team shall also carry out the objectives of the National Health Insurance Program (NHIP) in line with the Universal Health Care Act (Republic Act 11223). The Team shall be contracted from the senior management of a private corporation or management consultancy firm which has the necessary technical expertise to ensure the proper management of the NHIP.</p>

Continuation... Health				<p>Expressing their general support for the bill were the Department of Labor and Employment, Department of Social Welfare and Development, Department of Budget and Management, Governance Commission for Government-Owned and Controlled Corporations (GCG), Anti-Red Tape Authority, Philippine Hospital Association, Private Hospitals Association of the Philippines, and Association of Health Maintenance Organizations of the Philippines, Inc.</p> <p>The aforementioned agencies and the Department of Finance also committed to submit their official position papers to the Committee.</p> <p>On the other hand, PhilHealth President and Chief Executive Officer Dante Gierran explained that the mandates to reorganize as well as to outsource certain functions of PhilHealth to ensure operational efficiency are already provided under RA 11223. According to Gierran, the state health insurer is in fact already in the process of reorganization as directed by the GCG.</p> <p>Gierran also argued that the creation of a Joint Executive-Legislative Social Health Insurance Crisis Commission is no longer necessary because RA 11223 already created a Joint Congressional Oversight Committee on Universal Health Care which is tasked to conduct a regular review of the performance of the various agencies involved in realizing universal health care.</p> <p>On the part of the Department of Health, Undersecretary Mario Villaverde recommended that the bill clearly delineate the respective roles and functions of the proposed executive-legislative commission and the Transition Management Team. He also suggested that there should be a mechanism that will identify the accountabilities and avoid conflict of interest in hiring private firms or individuals as part of the Transition Management Team.</p>
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AGENCY BRIEFING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Health	Update by the Philippine Health Insurance Corporation (PhilHealth) on its reimbursements/payments to hospitals	<p>The Committee, chaired by Rep. Angelina "Helen" Tan, M.D. (4th District, Quezon), listened to the report of PhilHealth on the status of its reimbursement/payment of claims filed by hospitals.</p> <p>Before this, Rep. Tan emphasized the importance of fast-tracking the payment of the remaining unpaid claims of hospitals given the resurgence of COVID-19 cases because of the Omicron variant and the expected increase in PhilHealth claims by its members. She cited reports that some hospitals are now planning to disengage from PhilHealth with the piling up of unpaid claims.</p>

Continuation...
Health

PhilHealth President and Chief Executive Officer Dante Gierran reported that as of January 7, PhilHealth has already released an amount of P12.05 billion to 444 hospitals through the Debit-Credit Payment Method (DCPM).

According to PhilHealth Acting Executive Vice President and Chief Operating Officer Eli Dino Santos, this brings down the total payment due to P25.45 billion covering both COVID-19 and non-COVID-19 claims for the period January 2020 to January 6, 2022.

PhilHealth Circular No. 2021-0004 dated April 8, 2021 provides that under the DCPM, "PhilHealth shall pay 60% of the total amount of applicable Health Care Facility (HCF) receivables subject to 2% expanded withholding tax for private eligible HCFs; and pay the remaining 40% of the total amount of good claims, subject to 2% expanded withholding tax for private eligible HCFs, following full compliance (with) existing claims processing requirements and procedures and full reconciliation of the 60% of the total amount of applicable HCF receivables initially paid to the HCF."

Gierran assured the Committee that PhilHealth is in constant dialogue and coordination with hospitals to reconcile their data on the unpaid claims.

Asked by Rep. Stella Luz Quimbo (2nd District, Marikina City) on the timeline of PhilHealth in settling the unpaid claims amounting to P25.45 billion, Gierran replied that PhilHealth is targeting to complete the payment within six months through the DCPM.

On the query of Rep. Tan regarding the cause of delay in the processing of unpaid claims, Gierran explained that it is due to issues in PhilHealth's information technology (IT) system and lack of manpower.

PhilHealth's Organization and Systems Development Office Acting Senior Manager Alejandro Dennis Lim said that with the ongoing reorganization of PhilHealth, as directed by the Governance Commission for Government-Owned and Controlled Corporations (GCG), the plantilla positions for claims processing will be increased from 900 to 1,400. However, he said, PhilHealth's approach is not merely to increase the number of personnel but also to incorporate accountability measures to further address the delay in the processing of claims.

Meanwhile, Anti-Red Tape Authority (ARTA) Director General Jeremiah Belgica informed the body that ARTA has already submitted last September 2021 its recommendations to address the issues and challenges in the processing of PhilHealth claims to the offices of Gierran, Health Secretary Francisco Duque III, and Rep. Michael Edgar Aglipay (Party-List, DIWA), who is the Chair of the House Committee on Good Government and Public Accountability.

Belgica mentioned ARTA's recommendations which include the following: improve the IT infrastructure and cloud storage of PhilHealth; streamline the DCPM process by conducting pre-payment or pre-assessment documentary review of the required documents; devise a credit-scoring system for hospitals and health institutions that shall serve as basis for the prioritization of claims processing and release; and strictly observe the 60-day processing time of claims.